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NEWS SUMMARY

GENERAL

Egypt, Libya 'one State'

Creation of a new Arab unified State of Egypt and Libya has been announced by the Egyptian Government. Cairo Radio said a joint constituent assembly with 50 members from each State will be set up on Saturday.

Referenda in Egypt and Libya on the proposed merger were expected to take place on Saturday, but have now been delayed to a later date which has not yet been given.

Cairo observers said that the announcement amounts to a "merger by stages" rather than the immediate unity demanded by the Libyan leader, Colonel Khedafi.

From Saturday, an Egyptian-Libyan dinar will operate as a unit of accounting between the two countries, Cairo Radio said. Another measure of integration will be the formation of a Supreme Council for Planning with a Secretary-General in charge and the election of a Head of State.

Two trapped in mini-sub

Two Britons ar trapped in a mini-submarine on the bed of the Atlantic. Two other mini-subs — one from Canada, the other from Scotland — are on the way to attempt their rescue.

The men, who are transatlantic cable layers, are 1,375 feet down on the ocean floor 150 miles south-west of Cork, Ireland.

A spokesman for Vickers Oceanics, owners and operators of the mini-sub, said the men were in constant radio-telephone contact with he naval auxiliary, Sir Tristram, and a tanker, British Kiwi.

I'll fight on says Allende

Announcing his tenth Cabinet in less than three years, Chilean President Salvador Allende declared there would be "neither civil war nor a coup d'etat." He represented, he claimed, a revolutionary process of change which would not be halted by terror of Fascist threats. Page 5

'Rammed' claim by gunboat

Iceland's coastguard claimed that its flagship, the gunboat Aegir, was deliberately rammed by the British frigate Apollo. The Ministry of Defence in London, however, disclosing the collision off the north coast of Iceland, described it as "another example of dangerous manoeuvring by Icelandic gunboats."

New China move

The Chinese Communist Party, meeting in secret session, held its tenth National Congress in Peking from August 24-28 and adopted a new party constitution, Peking Radio announced. The broadcast said the new constitution eliminated a section naming the late Lin Piao as Chairman Mao's successor. Page 7

Store bomb find

An unexploded incendiary device found in the carpet department at Harrods is believed to have been planted 10 days ago with the first London fire bombs. In Belfast, security circles, writes Rhys David, were not inclined to accept denials of Provisional IRA complicity in the London bombings. Back Page

Briefly . . .

The Queen sent a message of sympathy to the President of Mexico over the earthquake and flooding. Picture, Page 5

Yachtsman Sir Alec Rose will start the Whitbread round-the-world race at Portsmouth on September . . . Alec Beilby, Page

Cricket: Mike Denness (Kent) is expected to captain the MCC tour to the West Indies. Trevor Bailey, Page 15

BUSINESS

Wall St. up 11.36 in heavier trading

● EQUITIES enjoyed a slight rally which left the 30-Share Index 4.5 up at 417.7 after its 17.9 loss over the previous seven trading days.

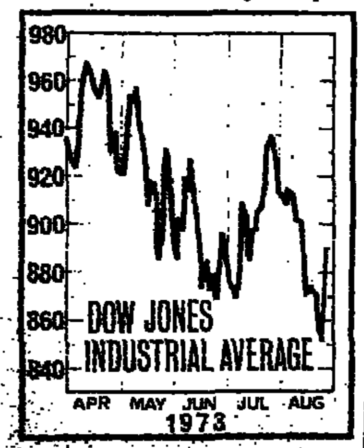
● GILTS experienced little business with shorts opening steady around overnight levels, but drifting to close 1/16 and occasionally ¼ lower. Mediums and longs closed without alteration.

● GOLD was up 2.75 at 107.25.

● STERLING rose 65 points on balance against the U.S. dollar to $2.4650, but its weighted depreciation from Smithsonian parities widened to 17.07 per cent. from 16.88 per cent.

● DOLLAR was weaker with good demand for short term D-Mark deposits playing a part.

● WALL STREET advanced 11.36 to 883.43 with turnover 3.88m. shares higher at 15.69m. in front of the anticipated post-



Labour Day rally next Monday. Buying was also inspired by continued declines in commodity prices.

● AS CHRYSLER U.K. prepared to resume full-scale production at its Coventry and Scottish plants, the motor industry faced a new threat when Wilmot Breedon, component suppliers, started to lay off more than half its 4,000 labour force after a breakdown in pay talks. Back Page

● CREDITORS' MEETING agreed to a two-week "reprieve" for C. Tinling, Liverpool book printing group, to allow negotiations for a possible takeover by Mr. Robert Maxwell to continue. Page 11

● FISONS is to form a wholly-owned subsidiary in Denmark to further the sales of its pharmaceutical products. Page 15

● ITALIAN consumer prices index for July showed the rate of inflation has slowed down. In France, however, where the index rose 0.8, inflation continues unabated. Page 6

● SIR DENIS BARNES, 58, Permanent Secretary at the Department of Employment, has been appointed £16,000 a year chairman of the new Manpower Services Commission. Back Page

● FIRE DAMAGE in the U.K. rose 71 per cent. to £105.6m. in the seven months to July 31 compared with a year earlier the British Insurance Association says. Page 19

● INSURANCE COMPANIES net investment increased by more than 31 per cent. to £1,615m. during 1972. Page 15

● COMINCO, Canadian-based metals and mining group, is to build a zinc refinery in the Hartlepool area on the north-east coast. Back page

● COMMON MARKET may have to re-introduce full import duties on beef and veal from next Monday. Page 23

● JOHNSON MATTHEY first-quarter profits almost doubled to £3.17m. Page 20 and Lex

CHIEF PRICE CHANGES

Prices in pence unless otherwise indicated)

RISES

Beaverbrook "A"	107	+ 3
...water	161	+ 6
...ish Sidac	73	+ 7
Brooke Bond "B"	53	+ 2½
...clough (L.)	181	+ 5
...minion Trust	292	+ 6
...e Fox	258	+ 5
...raser	112	+ 4
...ds. Bank	264	+ 7
...lland Bank	344	+ 7
...ips Lamp	823	+ 20
...d Intnl.	257	+ 4
...chard Hldgs.	884	+ 31
Exploration	107	+ 8
...ll Transport	288	+ 10
...tside-Burmah	110	+ 7
...glo-American Crp.	582	+ 7
...than Deep	600	+ 40
East Drie.	405	+ 25
Kloof Gold	610	+ 20
Peko-Wallsend	365	+ 15
Sentrust	165	+ 5
Western Mining	118	+ 6

FALLS

Treasury 6½pc 1976	£89½	− ¼
Arrow "A"	98	− 3
Adwest Group	240	− 7
Army and Navy	378	− 32
Aust. and NZ Bank	387	− 8
Bank of NSW	503	− 25
Broken Hill Prop.	524	− 12
Freemans (London)	278	− 6
Lebus Harris	152	− 6
Nat. Bk. Aust.	212	− 8
Newman Tonks	115	− 5
Nu-Swift	29½	− 3½
Sunley (B.)	294	− 6
Thomas Nationwide	148	− 9
Selection Trust	370	− 5

(FT-stock Indices and FT-Actuaries summary Page 27)

Urgent home loan talks at Treasury to-morrow

BY DAVID WALKER

Building society leaders are to have emergency talks with Mr. Patrick Jenkin, Chief Secretary to the Treasury, to-morrow to discuss the worsening mortgage situation and the problems caused by spiralling interest rates.

The meeting is at the request of the Building Societies Association, which had sought to see Mr. Anthony Barber, the Chancellor of the Exchequer. He is on holiday until Monday. Also on holiday is Mr. Leonard Boyle, chairman of the Building Societies Association. In his place the Association's team will be led by Mr. Joseph Potter, the vice-chairman, who is chief general manager of the Halifax.

Last night Sir Stanley Morton, immediate past chairman of the Association and one of the team to take part in to-morrow's talks, said another Government subsidy to home-buyers would be the only way to avoid the higher mortgage rates. Although such a move would be unpopular with the societies, he said, it would have to be seriously considered.

"We would have to think very, very deeply in conditions where the alternative might be worse. I think it would be the job and duty of the Association council to weigh up the pros and cons of it." If the subsidy were offered it would have to be for a much longer term than the previous one.

Sir Stanley expressed "extreme doubt," however, about a further subsidy being offered by the Government. But it would not be the first time the Government had gone back on its earlier policy. It gave the societies a three-month £15m. bridging grant in April to prevent the mortgage rate reaching 10 per cent.

Sir Stanley pointed out that if mortgage rates did reach the 14 per cent. predicted by Sir Hubert Newton then on a 25-year £10,000 mortgage, repayments would jump from the present £91 to about £121—"an impossible rise for many home buyers."

To-morrow's discussions come in the wake of the prediction by Sir Hubert Newton, chairman of the Leek and Westbourne, that mortgage interest rates could leap from the present 10 per cent. to as high as 14 per cent. next month because of the intensified competition for investors' money now presented by the banks.

No new offers

Yesterday Sir Hubert, whose views on interest rates appear to be shared by few other building society leaders, revealed that his society, the country's eighth largest, would not be making any new mortgage offers till September 14—the day of the next Association council meeting, when interest rates will be high on the agenda.

Other societies, too, have been tightening up on the mortgage rationing largely in force since the beginning of this year. In many cases new loans are being almost entirely restricted to people who have been investing with the society from which they wish to borrow.

At to-morrow's discussions the movement's leaders are likely to press for Government action to curb the advance in interest rates which over the last few weeks has brought the terms banks can offer their customers almost to a par with those the building societies offer their investors.

They may also bring up the possibility of devising a system under which the movement of domestic interest rates could be divorced from fluctuations in international interest rates.

The chances of Government action, however, look slim. After last week's Government-TUC talks at Chequers Mr. Barber made it clear that the Government had no intention of intervening.

"None of us likes high mortgage rates, and I do fully understand the concern these cause very many people, but the general rise in interest rates is necessitated by international conditions," he declared.

"It could not be avoided without putting sterling at risk and thus endangering the programme of sustained growth that we all wish to see."

All the indications within

Continued on Back Page

State to invest £46m. in Hawker jet

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

THE U.K. Government is to invest a fixed £40m. at January, 1972, prices (£46m. at current prices) in development of the Hawker Siddeley HS-146 four-engined, short-haul jet airliner—the so-called "Viscount replacement."

The Hawker Siddeley Group, of which Sir Arnold Hall is chairman, will pay the rest of the development and production costs, also estimated at about £40m., and will bear any cost over-runs that may occur. The Government's contribution, described as a "risk-sharing investment" rather than launching aid, will be recoverable through a levy on sales.

Tough bargaining

Announcing the deal yesterday, Mr. Michael Heseltine, Aerospace Minister, said it had been reached after long and tough negotiations.

The Government's contribution will be adjusted in line with changes in the general price level. It represents about half the estimated non-recurring costs of the enterprise.

Mr. Heseltine said the recovery terms reflected the two parties' contributions to the project, "and I believe they strike a fair balance between the interests of the company's shareholders and those of the taxpayer.

"The Government has the prospect of recovering its investment at a discounted cash flow return of 10 per cent. in real terms," said the Minister.

"Should the cost of developing the aircraft turn out to be higher than forecast — and Hawker Siddeley's record gives no grounds for concern on this score—the company will bear full responsibility for any cost over-runs not attributable to movements in the general price level.

"I am satisfied that the Hawker Siddeley Group has the financial resources to undertake the project on these terms."

HS-146 will be built in two versions, a 71/88-seater and a 102-seater. It will have four U.S. Avco Lycoming ALF-502H jet engines, giving the aircraft a cruising speed of 500 mph and a range of 1,200 miles.

The U.S. engine is the cheapest and most readily available on the market. Avco Lycoming is discussing work-sharing with Rolls-Royce (1971), but any agreement in this field must not upset the price of the engine or the time-scale of the project.

First flight of the aircraft is set for end-1975 or early 1976, with airline service by early 1977. Selling price will be around £1½m.

There are no orders at present, but many airlines have shown interest, including the Regional Division of British Airways, which has need for a Viscount replacement, and could buy as many as 30 or 40 aircraft over the years ahead.

Hawker Siddeley says the HS-146 is aimed at a market that could involve as many as 1,500 aeroplanes of this type by the mid-1980s. Its own target is a more modest 400 or so over the next decade.

Apart from the engine, the aircraft will be basically British, with contributions from European companies only if they can offer cheaper and better quality parts than their U.K. counterparts. Contracts for the supply of parts will be signed soon.

Mr. Heseltine said yesterday he was convinced the HS-146 had "excellent prospects" of success both technically and commercially. "It is for this reason, first and foremost, that the Government has decided to invest in the project."

The company's willingness to commit a very substantial sum of private capital to it had given him an added reason for confidence.

He went on: "I also believe that the HS-146, which is the first major new aircraft to be launched in this country for more than a decade, will be of great benefit to the British aircraft industry as a whole."

News Analysis, Page 7
Editorial comment, Page 18

Left-wingers will try to stop TUC dialogue with Government

BY JOHN ELLIOTT, LABOUR EDITOR

THE FUTURE of talks between the Government and the TUC will dominate meetings of the TUC general council which start in Blackpool to-day in advance of next week's annual Trades Union Congress.

The Congress is expected to authorise the talks to continue. But first Left-wingers on the council, led by the Engineers but opposed by the Transport Workers, will try to end the dialogue.

Other key issues facing the Congress — the last to be attended by Vic Feather as TUC general secretary—will be the expulsion of some 20 unions for registering under the Industrial Relations Act and the future of the TUC's boycott of Common Market institutions.

There now seems to be no hope of the Congress refusing to expel the registered unions which meant that groups like the Seamen, Health Service Employees, Actors' Equity, the Bank Employees and the Airline Pilots will find themselves outside the TUC.

In that position, they will no longer be protected by the TUC's Bridlington inter-union rules and so may well have to face TUC unions' mounting campaigns to poach their members.

On Europe, it seems unlikely that hopes among pro-Marketeers that the TUC will start officially co-operating with EEC institutions will prove justified.

Left-wingers are aiming this year to consolidate their anti-Market policies at both the TUC and the annual Labour Party conference which follows in a month's time.

They are prepared to take on those who want to co-operate with EEC institutions because they regard such co-operation as a first step in what would become a gradual softening of the Labour Party policy of renegotiation of the terms of U.K. entry.

Another battle involving some Left-wingers could emerge over the TUC policy document advocating worker-directors responsible to union organisations. Although one prominent Left-winger, Mr. Jack Jones, of the Transport Workers, is an enthusiastic supporter of this new policy, some Left-wingers are not prepared to accept any such form of co-operation with management.

Nixon to defy judge on tapes

BY ADRIAN DICKS

WASHINGTON, August 29.

PRESIDENT NIXON will not accept a ruling by a federal judge to-day that he should produce for the judge's private inspection tape recordings and documents that might prove conclusively what the President and his closest advisers really knew about the Watergate case.

The Western White House in San Clemente said the President would not comply with the order, and that it was considering legal grounds for appealing against it "or how, otherwise, to sustain the President's position."

Chief District Court Judge John Sirica ordered the President to make the tapes available to the court, and ruled that he would examine them in camera to determine whether they should be released for the scrutiny of the Grand Jury investigating the criminal aspects of Watergate and related cases.

The judge's ruling marks the first time that a President of the U.S. has been ordered to comply with a subpoena.

Judge Sirica, who played a crucial part in uncovering the full extent of the Watergate affair through his handling of the trial of the seven men directly involved, accepted many of tse points made to the court by Dr. Archibald Cox, the special prosecutor.

His ruling, however, did not go to the bottom of the President's claim to executive privilege for the nine tapes of his conversations with his former legal counsel, Mr. John Dean.

The President's lawyers have argued that to reltase the tapes of confidential discussion between Mr. Nixon and the man he says was in charge of investigating Watergate on his behalf would set a precedent that would make it impossible for the Presidency to function.

Judge Sirica said he was persuaded by the special prosecutor's argument that "the grand jury has a right to every man's evidence," and added that he "failed to perceive any reason for suspending the power of courts to get evidence and rule on questions of privilege in criminal matters simply because it is the President of the U.S. who holds the evidence."

However, he goes on to express "extreme reluctance" to stand against a declaration by the President except on the strongest possible evidence, and concludes that "the court is simply unable to decide the question of privilege without inspecting the tapes."

£ in New York

—	August 29	Previous
Spot	$2.4635-4645	$2.4672-4685
1 month	0.85-0.85 dis	0.95-0.28 dis
3 months	2.75-2.65 dis	2.72-2.85 dis
12 months	8.25-8.10 dis	8.05-7.90 dis

'Future is up to you' Heath tells Ulster

BY RHYS DAVID

BELFAST, August 29.

MR. EDWARD HEATH, the Prime Minister, ended his two-day visit to Northern Ireland to-day with a call for the leaders of the main parties to meet each other in a bid to make progress towards setting up a power-sharing executive.

In a message to the people of the province be stressed once again that the opportunity to take control over Northern Ireland affairs was open to representatives returned in the recent elections and he urged them to do so without delay.

Mr. Heath said he had the support of the two other party leaders at Westminster for the immediate recall of Parliament once a power-sharing executive was formed so that the necessary devolutionary order could be made.

Endless talks

At a Press conference later Mr. Heath, who was in jovial mood, expressed some astonishment at the mañana approach to politics which had developed in Northern Ireland, with politicians apparently preferring to take part in endless rounds of preliminary negotiations than to assume the powers now open to them.

"What we had expected was that once the Assembly was elected groups would get together and thrash out the difficulties and discuss how they were going to establish an executive," he declared.

Political activity by representatives of the people was essential for the eventual defeat of violence, Mr. Heath said, and every day's delay in setting up and working the new institutions could only mean more lives lost, more maimed and wounded by senseless attacks on harmless and guiltless people.

Mr. Heath expressed the hope that his visit would give increasing momentum to the moves towards setting up an executive and would lead the political groups to begin talks. He urged the party leaders to meet bilaterally to begin with, and then perhaps in larger groups to see where they had common interests and where there would have to be compromise.

The Prime Minister's difficulty appears to be that there is no real sanction which the Government can introduce to speed up proceedings without the danger of making the situation worse, and he indicated that he felt the main pressure on the politicians could or should come from people in Northern Ireland themselves.

He mentioned a number of times the fact that there had been a persistent demand from politicians before the elections for a resumption of political activity and said great pressure had been put on the Commons to get the machinery for holding elections established. "Their constituents now expect them to get on with it," he said.

Mr. Heath made it clear that in the Government's view formation of an executive was an essential first step from which other steps would flow and not one of a number of moves which had to be taken simultaneously.

In the realm of policing this means the executive should come into being and appoint members to the police authority, and in this way influence any reconstruction of the Royal Ulster Constabulary. Mr. Heath has used the example of the Metropolitan Police in his discussions with the Social Democratic and Labour Party in an attempt to show that changes can be brought about within an existing structure.

Mr. Heath also sees the executive as an essential party to any discussions on a possible Council of Ireland and will not agree to a tripartite conference between London, Dublin and Northern Ireland representatives before an executive is formed. He said it was difficult to see how there could be a conference about the Irish dimension until there was an executive which could put the Northern Ireland point of view.

● Dominick J. Coyle writes from Dublin: Despite the fact that Anglo-Irish relations remain somewhat strained over the Littlejohn affair, there is a general welcome in Government circles in Dublin for Mr. Heath's strong emphasis on the need for a speedy return to political activity in Northern Ireland.

However, there remains, at least on the surface, a quite fundamental difference between the Dublin and London Governments as to the precise timing of political developments in the province over the next few months.

The Government in Dublin is now generally in support of SDLP demands in the North that a political settlement there must take the form of a package deal.

Senior members of the SDLP were actually in Dublin yesterday talking with Mr. Liam Cosgrave, the Prime Minister, just when Mr. Heath was publicly warning all the Northern political parties that their delay in forming the projected power-sharing executive could only be of benefit to the terrorists.

The SDLP delegation insisted that there must be simultaneous action on establishing the executive, reforming the police and setting up the Council of Ireland, whereas the British Prime Minister has suggested that the immediate priority should be given to the executive.

ON OTHER PAGES

WORLD TRADE NEWS

Gaskell and Chambers, together with the parent company MK Refrigeration, achieved total export sales of £1m. for 1972 and are expected to show an increase of 50 per cent. in 1973. Recent orders of note include 700 MK in-line draught beer coolers together with Gaskell's taps and special counter mountings advertising "sagres beer" for Portugal, 300 whilcool refrigerated squash dispensers for Iraq and Denmark. Initial orders for 3,000 non-drip opties for various hotels in Czechoslovakia and a contract for the eventual supply of all optics for the Motta bars in Italy. Gaskell and Chambers supply 5,500 special statuette brackets annually for France. The above picture shows Gordon Braithwaite, the Export Sales Director with the products.

Qantas bid to get larger slice of Europe-Australia traffic

BY MICHAEL SOUTHERN

SYDNEY, August 29

OVER THE next few months, Qantas, the Australian international airline, will take several measures to ensure a larger slice of the business between Australia and *Europe. The first measure* is already underway with talks between Australian and U.S. officials on the frequency of U.S. flights across the Pacific in to Sydney, and certain onward rights that Pan American enjoys.

The Australians, having already cut flights across the U.S. and the Atlantic to London as an economy measure, are now expecting a reduction in U.S. airline frequencies across the Pacific, currently, the greatest headache-route facing airlines with its high cost and low load factor problems.

In November, steps will be taken to re-assess the BOAC rights position into Sydney across the Atlantic. Again, Qantas is seeking a reduction of BOAC frequencies and some onward rights. The basis of the argument is that BOAC still enjoys rights granted many years ago when it won concessions by using former colonies as bargaining points with the Australians.

Qantas, after some severe financial troubles, initiated the low fare services between Australia and Europe with the introduction of the $A700 round trip last year. In the year to March 31, 1972, the airline had lost $A5.9m. and the change to the low fares had the basic effect in getting passengers out of charter aircraft and into Qantas seats. In the balance sheet, it has had the effect of bringing the airline back into a profit for the year to March last of about $A500,000, with projections of anything up to $A10m. for the current year.

In its latest effort Quantas has now switched the emphasis of a lot of its advertising to wooing the first class passengers once more. For some months, BOAC has been running a campaign aimed at companies, suggesting that if they want a first class job done, they should send their man first class. It is a campaign which appears to be designed to increase the total first class traffic and direct it to BOAC.

Next Saturday, Qantas will introduce its "captain's club," a first class concept aimed at simply increasing the Qantas share of first class traffic. It has already been denounced by some in Australia as elitist and catering for "silvertails." But *first class traffic represents* 15 per cent. of Qantas passenger revenue, which in the 1971-72 year totalled $140m., and first class traffic is rising at a rate of around 8 per cent. a year. While a small sector of international travel, it is a profitable one.

The Qantas promotion is aimed at "creating a priveleged class" to quote their announcement, offering men black brief cases instead of the plastic airline bags, special check in and baggage collection facilities, and even, on longer flights, offering specially printed notepaper with the passenger's name on it. Passengers will also be offered special lounge facilities at airports around the world.

On Qantas 747 aircraft, there are only 32 first class seats offered at present. Initially, it was larger but the numbers were reduced following the increase in demand from economy passengers.

Scotch export boom

Financial Times Reporter

SCOTCH WHISKY exports this July made unprecedented percentage gains, compared with July last year—when there was a major dock strike in Britain—and increased 131 per cent. in volume and 126 per cent. in value to a total of 6,908,000 proof gallons of the four major export categories worth £22.3m.

Malt whiskies shipped in bulk showed the greatest percentage advance in July and increased exports by 396 per cent. in volume and 357 per cent. in value to 969,000 gallons worth £1.65m. Market details are not yet available, but it will be found that most of this increase went to Japan.

Bottled blends dominated the volume aspect of shipments and came second only to bulk malts in percentage performance, advancing by 118 per cent. in volume and 124 per cent. in value to £18.4m. Blends shipped in bulk rose 96 per cent. in volume and 68 per cent. in value to 1,373,000 gallons worth £2,006,000.

Malts in bottle did better percentagewise and rose 94 per cent. in volume to 33,000 gallons and 112 per cent. in value to £210,000.

Scotch shipments in the first seven months of the year increased 20 per cent. in volume and 21 per cent. in value, compared with the same months of last year, to total 41,649,000 gallons valued at £137,572,000.

Bulk malt whiskies again led the growth-field and advanced 71 per cent. in volume and 79 per cent. in value to 3,234,000 gallons costed at £5.9m.

Bottled blends

Bottled blends again kept their predominance *for volume and second place for rate of growth,* moving up 19 per cent. in volume to 24,444,000 gallons and 20 per cent. in value to £115.2m. Bulk malts kept an even 10 per cent. in both categories, increasing to 9,772,000 gallons costed at £15m. Bottled malts only increased volume by 3,000 gallons to 199,000 — due, no doubt, to shortage of suitably aged malts with stated age—but their value advanced 19 per cent. to £1.2m.

● More paper work lies ahead for exporters to the U.S. and their importers there as the U.S. Tariff Commission amends its Tariff Schedules with the aim of getting C.I.F. figures on all imports.

Mr. John F. O'Connell, president of the National Association of Alcoholic Beverage Importers, of Washington, writes: "The principal change from present procedure makes it necessary to give all costs incurred in bringing merchandise from the port of exportation to the first port of entry in the U.S. The purpose of this new requirement rests in the fact that the Tariff Commission, as well as certain segments of Congress, have been, for some years, requesting C.I.F. data on imports, as well as more accurate "value" figures.

"There does not appear to be any way to get around this new requirement, and importers should accordingly advise their shippers abroad to furnish the information as set forth. . ."

The Tariff Schedule amendment becomes effective on October 1 and failure to provide the information could mean the rejection of the imports. The October 1 date is also necessary because the Department of Commerce is preparing a new format for its monthly trade balances beginning next January.

Japan caution on Whitlam car statement

TOKYO, August 29.

JAPAN'S BIG two car makers, Nissan and Toyota, to-day cautiously welcomed Prime Minister Gough Whitlam's statement they will be allowed to manufacture cars in Australia.

But, a Toyota spokesman said, it seemed to be "provisional approval," and more time was needed until the final go-ahead was received.

Masataka Okuma, Nissan's managing director, said it was somewhat premature to comment until the company could see what conditions the Australian Government would apply to Japanese operations.

But he said Nissan was not opposed to the idea of Australian capital participation in its project.

The Toyota spokesman said its plan would satisfy the Australian Government policy of curbing foreign capital domination of its car industry. The company is already assembling cars in cooperation with Australian interests.

The spokesman said he believed the projected Japanese operations would contribute to Australia's development by conserving resources.

He said Toyota had agreed to raise local content of its Australian-assembled cars to 85 per cent. or more in the next five years, during which time it will invest $A25m. in building an engine factory and foundry in Melbourne.

Nissan said it will contribute $18m. to a $35m. engine plant and foundry, also in Melbourne, to increase local content of its Datsun cars to 85 per cent. by 1976.

Both projects were announced last December but had been held up pending Australian Government approval.

Both Toyota and Nissan said it was very difficult to comment on Whitlam's other suggestion for the Government to build its own "people's car" as no details were yet available. But Toyota *said it was hoped free competition* between enterprises might not be impaired by any State-run car making company.

Reuter

Debt servicing 'will soon take up half Soviet export earnings'

THE SOVIET UNION has entered a period when its foreign indebtedness will accelerate to the point where debt servicing consumes nearly half the country's export earnings from convertible currency partners. This view is contained in an article in the latest edition of the International Currency Review just published in London.

Although the author, Mr. Michael Kaser of St. Anthony's College, Oxford, estimates that total Soviet indebtedness will soar from $8,500m. this year to $31,000m. in 1980, he maintains that Soviet creditworthiness should not be impaired because of the country's low dependence on foreign trade and the fact that new exporting capacities will come into action in the 1980s.

Mr. Kaser bases his calculations on the size of the Soviet import programme which, he estimates, will grow steadily throughout the decade from about $3,000m. in 1971 to $6,300m. in 1980 without a corresponding growth in exports. As a result, the visible deficit, which the Russians publish and which can therefore be accurately forecast each year, will grow from an expected $800m. this year to $1,200m. by 1980. To this should be added the so far undisclosed invisible deficit which is forecast as item 3.4 in the table. Together, they suggest that this year's expected total deficit of $1,520m. will have more than doubled by 1980 to $3,200m.

Against the debt growth should be set possible gold sales which can only be estimated since the Russians never disclose either policy or figures. Mr. Kaser argues that although the Russians have shown a greater willingness recently to sell gold, they will probably refrain from large sales because of the need to maintain a strong balance (tentatively put at 1,600 tons) and the high cost of gold production. A market price of about $90 an ounce for the coming years has been projected, but Mr. Kaser believes that Russian production costs are now up to $80.

If his forecasts are accurate, therefore, the Soviet Union will, by 1980, be paying $2,100m. in debt servicing which is equivalent to nearly half its expected export earnings in hard c[...] $4,300m.

By the 1980s many projects for which impor[...] been required will be [...]tion and although Mr. Ka[...] not project beyond 19[...] expects the deficit to [...] from then on. He also [...] the Russians' new borr[...]quirements (item 4.5) [...] a peak in 1980 of $4,770[...] tail off thereafter.

PROJECTION OF SOVIET BALANCE-OF-PAYMENTS WITH CONVERTIBLE CURRENCY PARTNERS (in $U.S.m. at 1972 prices and exchange rates)

	1971	1972	1973	1975
1 Reserves				
1.1 Gold stock	2,045	3,370	4,255	4,700
1.2 Plus convertible currency	150	170	180	220
1.3 Equals total reserves	2,195	3,540	4,435	4,920
2 Indebtedness				
2.1 Total on January 1	4,000	4,998	7,126	10,548
2.2 Plus new debt (3.3 plus 3.4)	696	2,003	1,520	2,020
2.3 Plus debt service	326	450	631	982
2.4 Minus gold sales	24	325	800	885
3 Current account				
3.1 Cost of imports	2,978	4,175	3,800	4,520
3.2 Payment for exports	2,842	2,962	3,000	3,360
3.3 Difference: visible deficit	136	1,213	800	1,160
3.4 Invisible deficit	560	790	720	860
4 Capital account				
4.1 Allocation to reserve	20	10	20	20
4.2 Plus increase in indebtedness	998	2,128	1,351	2,117
4.3 Plus Lend-Lease repayments	—	—	12	12
4.4 Plus convertible element in development loans	3	3	4	9
4.5 Equals new borrowing required	1,021	2,141	1,387	2,158

TAIWAN TRADE

Doubts about the future

BY DICK WILSON

TAIWAN IS the tenth biggest trading partner of the U.S., and one of the biggest sites for overseas private investment by U.S. companies. Last year clearance was given for $76m. of new investment by American corporations in Taiwan, and U.S.-Taiwan trade is expected to exceed $2,000m. this year.

Yet President Nixon's visit to China and the mutual establishment of liaison officers in Washington and Peking have thrown grave doubts over the island's economic future. The Chinese Communists are seeking to reconcile Taiwan to joining the People's Republic.

With a $6,000m.-a-year foreign trade (almost half as big again as China's) and a $1,000m.-a-year textile industry, Taiwan has made a big mark in Britain and other European markets.

Britain's exports to Taiwan *in the first half of this year were* up 50 per cent. to reach £9½m. British imports from Taiwan, though restricted by voluntary agreement in the case of cotton and polyester fibre textile goods, rose by 120 per cent. to reach £21m.

Indeed, Taiwan is making special efforts to invade the EEC markets and to buy from European suppliers in order to reduce its dependence on Japan.

Much interest attaches, therefore, to diplomatic discussions now going on which would seek to protect the Taiwan economy from being harmed by an American recognition of Peking.

It is believed by some experts in Washington that the U.S. could retain its naval presence in the Straits of Taiwan and even a token military force on the island itself after it recognises China.

This is because Peking feels that the sudden suspension of American ties with Taiwan could invite a Russian foothold there and encourage a Soviet-backed Taiwanese declaration of independence.

Chairman Mao is not yet ready or able to take over the island by force, and reconciliation between the rival Communist and Nationalist regimes is not expected to be successful until after the death of Generalissimo Chiang Kai-shek.

In the interim a continuing American interest in the status quo would therefore be welcomed.

Premier Chou En-lai has said as much to visiting foreign dignitaries, adding Taiwan to the other places cited—Japan, the Philippines and Thailand—where U.S. *forces* are seen from Peking as a helpfully stabilising factor.

Peking's fears about a Kuomintang honeymoon with the Soviet Union are not well-based, in the American view, in spite of Moscow's interest in Taiwan and the Russian background of Premier Chiang Ching-kuo, the Generalissimo's son and political heir.

Nor is a Bangladesh-type bid by the indigenous Taiwanese for an independent Republic a serious threat. But the possibility of a Nationalist declaration of independence after the Gimo's death is a real one.

Some senior Kuomintang executives are known still to regret that Chiang did not declare an independent republic many years ago when the Americans would have supported it, and the indigenous Taiwanese would prefer to avoid the new dose of mainland control which reconciliation with Peking would involve.

There is thus a convergence *of Chinese fears of Soviet intrusion* with American fears of a Chinese Communist take-over by force.

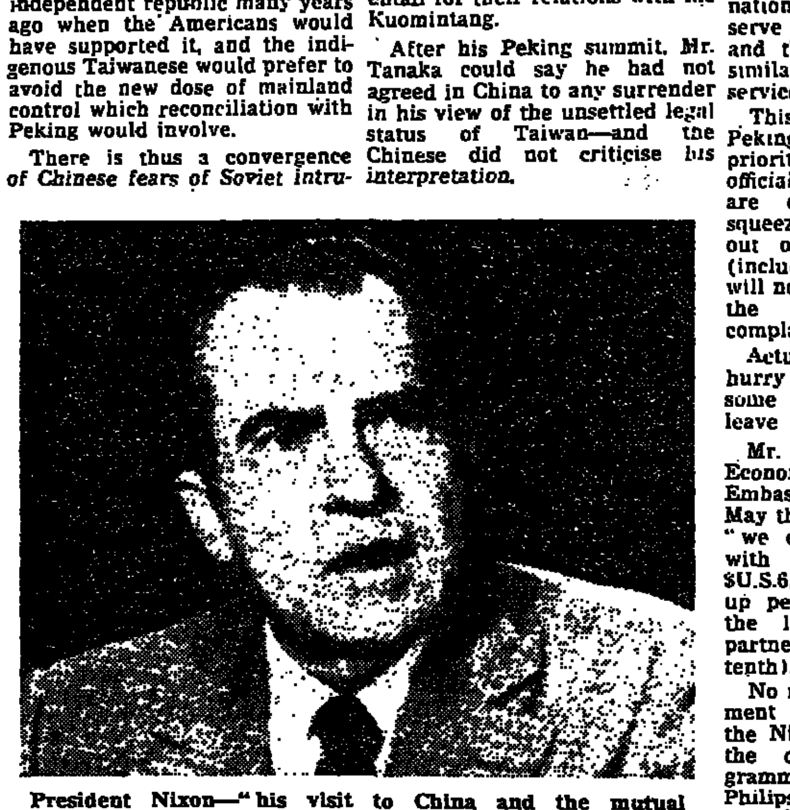
One suggestion by Professor Jerome A. Cohen of Harvard—a foreign policy adviser to Senator Edward M. Kennedy, and a man whose views are therefore taken seriously in Taipei and in Peking—is to follow the Japanese "formula" on the status of Taiwan.

The U.S. and Peking could recognise each other, and the U.S. could "understand and respect" *(in* the words of last year's joint statement by Premiers Chou En-lai and Kakuei Tanaka) Peking's claim that Taiwan is a part of the People's Republic.

The U.S. could then go on to reaffirm its intention to honour its Cairo Declaration commitment (to restore Taiwan to China)—just as the Japanese Government stated adherence to its stand on the Potsdam Proclamation calling for Taiwan to be restored.

The legal import of these linguistic niceties is that the Americans (and Japanese) are not committed to the view that Taiwan has already been restored to China, with all that this would entail for their relations with the Kuomintang.

After his Peking summit, Mr. Tanaka could say he had not agreed in China to any surrender in his view of the unsettled legal status of Taiwan—and the Chinese did not criticise his *interpretation.*



President Nixon—"his visit to China and the mutual establishment of liaison offices in Washington and Peking have thrown grave doubts over the island's economic future."

Similarly, after recognising Peking on these terms, President Nixon could go on to say, unilaterally and outside the framework of the agreement with Peking, that the 1954 Defence Treaty with Taiwan had become redundant, and that U.S. forces would eventually be withdrawn from the island.

But, he could add, pending the solution of the Taiwan question by the Chinese themselves on both sides of the Straits, the U.S. would help to maintain the security of the area.

This would warn off the Soviets from fishing in troubled waters, would discourage secessi[...] within Taiwan, reassure bu[...] confidence in the island [...] Congressional opinion in [...]ington, and put a premiu[...] Peking's efforts to win ove[...] island by gradual persuasi[...]

In fact, the Communists [...] prefer the Taiwan econom[...] to be set back, since that [...] only encourage secessionis[...] pro-Soviet elements there.

Western businessmen [...] thus been given the nod [...] they may deal with T[...] without offending Peking.

Peking is, of course, cur[...] refusing to allow the Jap[...] national airline, JAL, fre[...] serve both Taiwan and Ch[...] and this may be a prelu[...] similar haggling over shi[...] services.

This merely goes to show [...] Peking will insist on ge[...] priority over Taiwan on [...] official matter over which [...] are competing, that it [...] squeeze every concession [...] out of its commercial s[...] (including Britain), and th[...] will not allow the Nationali[...] the island to become complacent.

Actually, Nixon may be [...] hurry to recognise Peking [...] some observers believe he [...] leave that to his successor.

Mr. William N. M[...] Economic Counsellor at the [...] Embassy in Taipei, said in [...] May that over the next few [...] "we expect our two-way [...] with Taiwan to app[...] $U.S.6,000m. with Taiwan m[...] up perhaps to sixth place [...] the list of American t[...] partners (it already s[...] tenth).

No major new Western in[...]ment has entered Taiwan [...] the Nixon visit to Peking [...] the ongoing investment [...]grammes of Ford and I[...] Philips have continued, and [...]*seas Chinese investment in* [...] island has got over its shock[...]

In 1972 it fell back to $[...] but this year it looks set to [...] the 1971 record of $38m.

The Taiwanese are curr[...] fence-mending with Washin[...] by trying to eliminate their t[...] surplus with the U.S. A re[...]mission signed a contract in [...] York for $800m. worth [...] American feedgrains for su[...] to Taiwan over the next [...] years.

In the circumstances, [...] would seem wise not to writ[...] the Taiwan market—nor to [...] complacent about fur[...] probing of the U.K. marke[...] Taiwan's energetic Chi[...] manufacturers and business[...]

Round House

The Royal Hunt of the Sun

by MICHAEL COVENEY

Prospect Theatre Company, who this year celebrate 10 years of existence, opened last night for a London season in which they are to display three productions in repertoire: Peter Shaffer's famous epic play is sharing the bill with *Pericles* and *Twelfth Night*.

One of the qualities of Shaffer's play is that it tells a good story with a fine sense of narrative economy. A programme note fills in more details of the history of the Inca tribe and the career of the grisly, battle-scarred Spanish soldier who led a small expedition in 1532 with the promise of gold. But only as much of this as is essential to the unravelling of the tale and the central philosophic discussion on the nature of "Godness" is allowed to clutter the characters' speech.

But because the author chooses to enclose the excitement and the huge themes in so frail and bony a structural edifice he runs the considerable risk of sounding a strain of banality whenever the "issues" are raised. The excitement, one would have thought, could look after itself; it is, however, quite clear that the National Theatre production of nine years ago was remarkably flattering towards the text. The design of Michael Annals on that occasion is particularly memorable: the massacre of the Incas in the square was symbolised with a flooding of the stage in red cloaks; the little room in which the Sun King was confined by the invaders *was* filled with gold. Here, a few savages are relieved of their helmets to signify a slaughter, and we are treated to no memorable visual spectacle to represent the glittering Inca wealth.

Toby Robertson's production is strong, though, on the conquest of Pizarro by his opposite number. The respective performances of Trevor Martin and Rupert Frazer underline the essential similarities of men trapped in roles assigned to them by their culture. Atahuallpa defends his past deed of fratricide with a peevish outburst in justification of his crime (crime, that is, in Pizarro's terms): "I killed him and the land smiled." And the physical high spot of the evening comes when Mr. Frazer dances for his captor and displays a flowing grace and muscular athleticism which contrasts most vividly with his immobility up to this point. Mr. Martin's Pizarro is openly affected by this display (the audience, too, burst into spontaneous applause) and his bombastic resistance to the Inca's fascinating magnetism begins to soften.

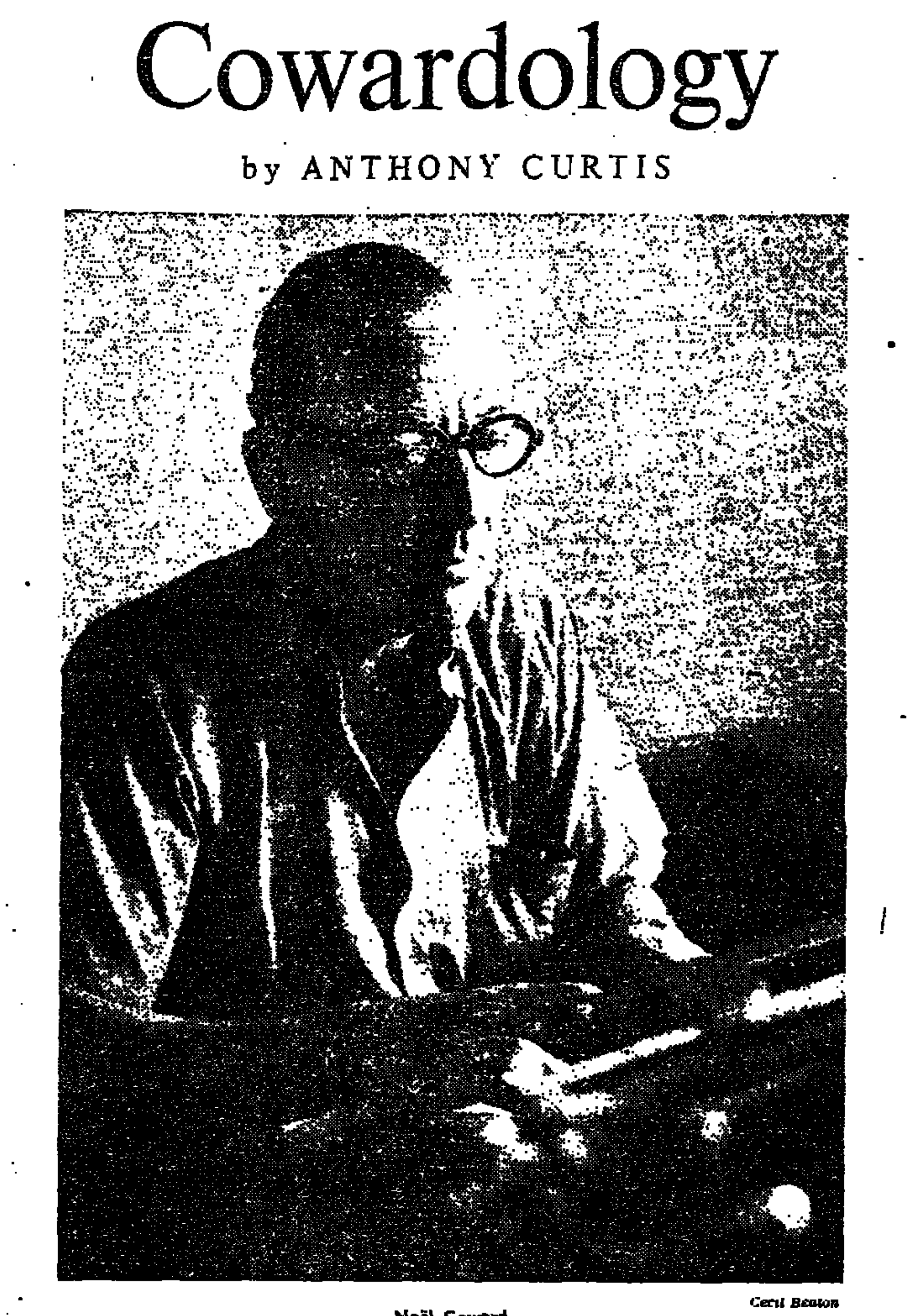
The underlying ethic of the play clearly derives from the New Testament and a Pauline definition of love. Pizarro's journey to a fuller sense of the sacredness of humanity intensifies as first Atahuallpa insists on seeking vengeance for his murdered followers and, later, representatives of the Spanish monarchy and the Church Militant demand the death of the Sun God for the welfare of their own men. Pizarro's enlightenment involves a realisation of the hideous values he has been conditioned to accept throughout his career, and the final scene where he cradles the dead Inca, bemoaning the lack of a miracle to ressurect him and enact the Gospel for his own personal assurance, is a powerful scene of anguish.

Less powerful are Shaffer's attempts at lyrical description. Old Martin's account of the freezing climb over the icy mountains is made palatable by the distraction of some effective cold lighting and the mimed activities of the Spanish soldiers. But too often descriptive cliché bounces round the stage and when Pizarro himself is moved, as though he were Henry V before Agincourt, to spill some private thoughts before the dawn offensive, I was not far from squirming on the seat.

Record Review

Cowardology

by ANTHONY CURTIS



Noël Coward — Cecil Beaton

"Noël and Gertie" CLP 1050. £2.15
Noël and Gertie and Bea PMC 7135. £2.15
Noël Coward at Las Vegas CBS 62426. £2.17
Noël Coward—A Talent to Amuse PMC 7158. £2.15
Noël Coward—The Great Shows SH 179/180. £2.38
Cowardy Custard SER 5666/5667. £3.98
Noël Coward's Theatre ECS 2135. £0.94

Connoisseurs of Coward interpretation who wish to make some close comparisons now have the opportunity to put the first upholders of "The Stately Homes of England" (1937) who were Hugh French, Ross Landon, John Gatrell and Kenneth Carten, alongside the most recent, Jonathan Cecil, Tudor Davies, John Moffatt and Derek Waring from Puddle Dock (1972), and the double quartet of them against Coward, doing it on his own at the original rehearsals accompanied by His Majesty's Theatre Orchestra conducted by F. M. Collinson. Needless to say Coward comes out on top. You can, too, compare Coward singing the same number in different settings. At the Desert Inn in Las Vegas the speed at which he took "Mad Dogs and Englishmen" was phenomenal, the elisions breath-taking, cutting his own previous personal best down by several seconds, without the slightest loss of articulation.

Since Sir Noël died earlier this year the recordings of him that many people already have, namely "Noël and Gertie," "Noël and Gertie and Bea" and "Noël Coward at Las Vegas," all still available, have been supplemented by several "new" releases. That great revival label, the World Record Club, has issued a two-disc album containing the original cast recordings of several of his most famous musical shows plus the Master himself singing some of the songs and speaking the toast from *Cavalcade*. You can hear him all over again in "Noël Coward—A Talent to Amuse," including some rarer items, "I Travel Alone" from the mid-1930s and "Time and Again" (1951).

It means that we have a chronological spread of live performances by Coward and his star colleagues in musical comedy, revue and cabaret that covers much of his career even if there are some notable gaps, particularly in the interpretation of his own plays. I would give a lot for a recording of him in *The Vortex* when he first broke through in 1924 with John Gielgud as his understudy—"Very good he was, too," he said. I would also like to have a permanent record of him delivering that scalding speech to the young playwright in *Present Laughter*; and at the end of his career trying to penetrate the character of his mentor Maugham, and to face the fact of his own death, in two of his roles in *Suite in Three Keys*.

If these items are missing from the records we do at least on "Noël and Gertie" have his definitive playing of part of act one of *Private Lives* with Gertrude Lawrence plus pleasant reminders of his gift for mimicry in the Cockney vein of *Red Peppers* with the same artist, and in the Gallic manner of *Conversation Piece* with Yvonne Printemps. Hear him admonishing her reluctant Melanie to marriage: "Whain he prrroproses you weel exsaipt heem"—which is the cue for her great song, "I'll follow my secret heart." There is this excerpt again, and a whole lot more from the same play, on "Noël Coward—The Great Shows."

The disappointing omission among the Coward people is Beatrice Lillie, who does not actually sing any Coward songs in "Noël and Gertie and Bea," not even doing "Marvellous Party"—though as a good second best you can hear Patricia Routledge in it on "Cowardy Custard." Full marks to that show for the thoroughness with which it was researched: it traced such pretty patterns as Coward's romantic reflections on an empty auditorium and wry comments on auditions, both in *Present Indicative*, blending into "Mrs. Worthington," sung on "Cowardy" by John Moffatt, who has to stand comparison with Coward himself on several of the other discs. As Peter Myers points out in his pertinent sleeve notes to "A Talent to Amuse," Coward was never permitted to record the last chorus with its pay-off that completes a characteristic parabola of politeness to insult: "That sufficed, Mrs. Worthington/Christ! Mrs. Worthington/Don't put your daughter on the stage." In general the difference between the Cowardy crowd and the Master and his contemporaries is very marked. What has gone are all those mannered art-deco swoops and twirls of intonation, those elongated vowels and camera-shutter consonants that so many of the numbers demand. To learn a style from a despair, said William Empson, and, theatrically speaking, that is just what Coward did.

If I had to recommend a best buy I would be hard put to it to choose in the solo disc class between "A Talent to Amuse" and "Las Vegas," giving the final choice to the latter for the inclusion of some of my particular favourites such as "Uncle Harry" and "A Bar on the Piccola Marina" where the song-writer, the story-writer and the wit seem to combine into perfect distillations. In the duet class "Noel and Gertie" is to be preferred to "N. and G. and B." and in the two record set league no nostalgia huff will wish to be without "The Great Shows," but if you prefer the modern sound full stereo then "Cowardy Custard" is certainly very good value for concentrated packaging.

Noël Coward's Theatre dates from 1960 when Walter Harris went to Montreux-les-Avants and taped 90 minutes of the Master talking aborbingly off-the-cuff about the art of "ackting." He pulls a swift punch in the first minute: "I think the prime purpose of the theatre is entertainment. Of course I may be quite wrong." From here we go into some fascinating technical stuff about comedy timing — not just getting the laugh, but quelling the laugh you don't want in order to get a much bigger one a little later. There's a tribute to *his* master in this art, Charles Hawtrey and a memory of Marie Tempest "pouring out a cup of tea and winging the witty lines to the back of the gallery without the slightest effort." But he is not only harking back to the era of the matinée idols. He has praise for Alan Bates and Peter Woodthorpe in *The Caretaker* and for Pinter who, "uses repetition with technical supremacy;" and for Coward his play embodies, "a tremendous truth — a sense of victory rather than defeat, the good triumphs over the bad." Only on this disc among these records does one see peeping out from behind the entertainer's mask the thing the Master invariably took such great pains to conceal, his high nimble intelligence.

Objects, things . . . 1

by MARINA VAIZEY

In terms of ideas, concepts, thinking about art, and the arts, the most fizzing, stimulating, exciting, on-going art situation in Edinburgh at Festival time is that provided by that impresario-entrepreneur genius Richard Demarco. This has been so for the past three seasons, too. His *Edinburgh Arts 73* has brought over artists from a variety of countries, as well as performers, dancers, musicians, choreographers, composers, museum people and students. Joseph Beuys has given a 12-hour lecture, there will be a day-long walk over the Edinburgh hills, there is a flow of people arriving-and-leaving—and involved with art-making, seminars, lectures, chats, the exchanging of addresses . . . just a few days there is an amazing short cut, to finding out quite a bit about what is really going on in all sorts of other places, as well as in Edinburgh and London.

In terms of totally absorbing art experiences, the Cricot 2 *ad hoc* company, actors, authors, critics, technicians, artists, brought together by Tadeusz Kantor and his wife to perform, with their own carefully structured improvisations for further seasoning and spice, S I Witkiewicz' play, *Lovelies and Dowdies* (rumour says the original title is *Harlots and Nuns*) which will be performed throughout the time of the Festival, and Beuys' twelve-hour lecture, were not only *tours de force* but illuminating, reverberating, signal experiences.

But what, in terms of actual art objects, is there at Festival time to see? The two most notable exhibitions, while listed in the Festival programme, were not initiated by the Festival.

The first is called *Earth Images*, and started at the suggestion of Merilyn Smith, one of the founders of Edinburgh's Ceramics workshop. It is at the Scottish National Gallery of Modern Art, and will be going on tour, but not so far to London. This is a great pity, because the exhibition deserves to be seen by as many people as possible.

A number of artists whose work in sculpture, painting, etc., is familiar to those who follow the current scene were invited to work in ceramics for the first time by the Workshop. The results of this experiment, a group of artists already as secure as may be in idioms and aspirations, but now confronted with a new medium, is fascinating. It is set in context by the imaginative idea of showing some of their more usual work in the exhibition too.

In two instances, the artists concerned have to my mind produced better work in the new medium than they have for some time with their usual material and media. Peter Blake's *Kamikaze*, the stylised head of a wrestler placed in a wooden box seems far stronger, and with some interesting fairground overtones, than his watercolours on the same theme which are increasingly too exquisite. Ivor Abrahams has in contradiction refined his work—an obsession with garden imagery—in turning to ceramics. In prints and sculpture his work has been deliberately crude—cascades of plastic leaves, furry felt for grass and shrub—but not crude enough. In ceramics, there is a gentle lyricism which heightens, curiously, a feeling of oddness, of unexpected, sinister undertones in a preoccupation with garden steps and urns, leaves and ladies.

The sculptor and event-maker Paul Neagu continues his philosophical resonant work in ceramic. Nigel Hall, occupied with rhythmic progressions, intervals in space, usually delineated with thin metal rods, is literally more earthy in ceramics, with wall-hanging shelves punctuated by markers. These convey with delicate verve that fine sense of complex rhythm which is a dominant characteristic of his work, an abstracted writing in space. Hubert Dalwood extends his work with verve in ceramics.

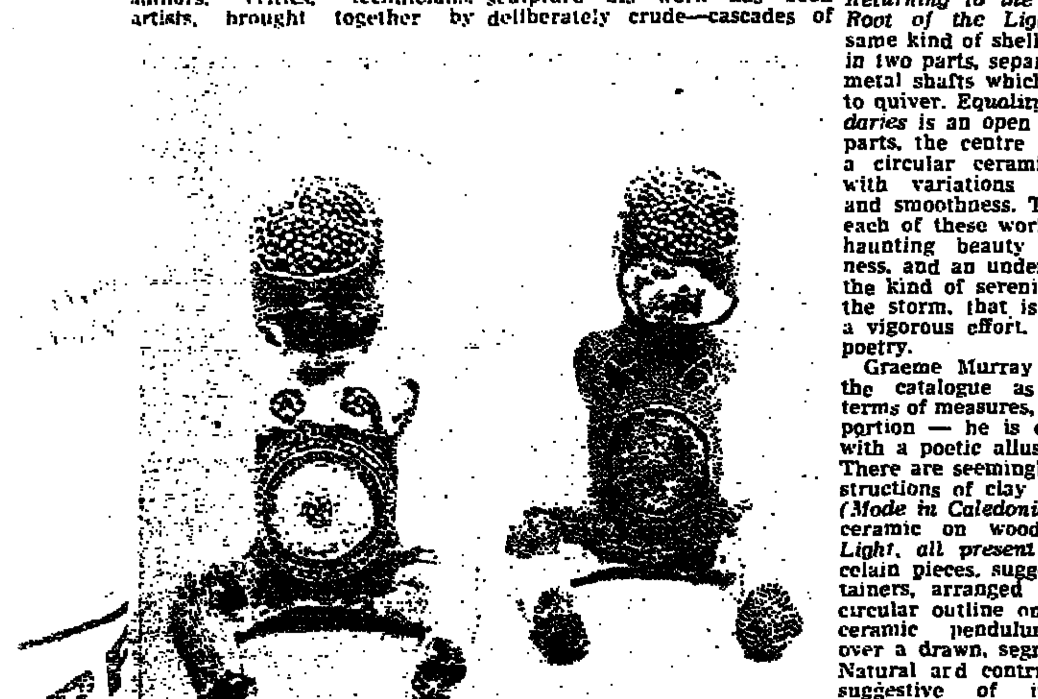
Merilyn Smith, herself a ceramicist, is quoted in the catalogue, refusing to be drawn into that interminable debate of craft vs. art: "I think there is no difference (between what is craft and what is art). Where the difference comes is in the person who handles the material." As a group, the most outstanding works of art in the exhibition were executed by those professional ceramicists who might seem to fall into the craft pigeonhole. It's a difference perhaps of slight degree, but the ceramicists here just seem to have more to say. What they are doing is in the realms of high art, and advanced art (if anything concerned with the making of *real* objects is still considered advanced art).

Book reviews appear on Page 10

Alan Smith, once a painter, is exhibiting minimal, spacious, suggestive drawings, and prints. In an immaculately fashioned glass and wooden case, two ceramic shells seem to have parted to show a pile of earth: *Returning to the Source*. *The Root of the Light* shows the same kind of shell, or container, in two parts, separated by small metal shafts which seem almost to quiver. *Equality of the Boundaries* is an open case, in three parts, the centre of each being a circular ceramic depression, with variations of roughness and smoothness. There is about each of these works an aura of haunting beauty and strangeness, and an undeniable energy, the kind of serenity, the eye of the storm, that is won through a vigorous effort. It is a visual poetry.

Graeme Murray is quoted in the catalogue as thinking in terms of measures, scale and proportion — he is concerned too with a poetic allusive approach. There are seemingly simple constructions of clay bars on wood (*Mode in Caledonia*) and glazed ceramic on wood (*Dark and Light, all present*); seven porcelain pieces, suggestive of containers, arranged on a painted circular outline on the floor; a ceramic pendulum quivering over a drawn, segmented circle. Natural and contrived rhythms, suggestive of induced and natural movement, infuse his work. Merilyn Smith is concerned with landscape fragments, apparently abstract images that relate to an apprehension of expansive and restricted landscape. Ainslie Yule makes witty comments by making things which are dashing large takeoffs on ordinary domestic utensils.

All together an eye-opening exhibition. Craft is a skill, art is what you have to say, and how you say it, and the blurring of the borderline takes place when you consider objects themselves, realised intentions which go beyond function. For all the fervent good intentions behind Lord Eccles's determined embrace of the arts, the large Victoria and Albert craft exhibition, selected by committee mainly by entry with some things specially commissioned, became with its first showing a fairly dull Academy of the Crafts. The slice from that exhibition, now on view at the Royal Scottish Museum, itself a wonderfully eccentric but efficient building, like a clean prison, is also fairly dull. There are a few good things, but what, with working water-clocks, fishponds, and antiquities, marvellous looking industrial artifacts and the like which comprise the permanent exhibition to look at in contrast, the aura of the improvising amateur, albeit with professional skill, hangs heavy over these crafts.



Tattooed baby dolls in porcelain by Michele Doner

Edinburgh Festival

King's Theatre

Hungarian State Opera

by GILLIAN WIDDICOMBE

Before discussing the two opera productions visiting Edinburgh this year, here are a few facts I cannot resist quoting. Since 1951 the Hungarian State Opera has had two theatres, the combined staff of which includes 14 conductors, 102 solo singers, chorus of 165, and an orchestra of nearly 200, plus the ballet company. The State subsidy covers threequarters of the budget, and the most expensive seat is 66p, the cheapest only 5p. That, I confess, is a partisan broadcast on behalf of impoverished British companies, led by Covent Garden.

Among the 520 performances the Hungarian Company gives between early September and late June, some eight premieres are included each year. So it was an excellent idea to invite them to bring Szokolay's *Blood Wedding* to Edinburgh, as an example of a successful, contemporary Hungarian opera. Szokolay was born in 1931, and his reputation was made by *Blood Wedding* in Budapest in 1964. It was considered important enough to be recorded and released internationally by the Hungarian State gramophone company, Qualiton.

For a composer who works within the framework of *established operatic conventions*, Lorca provides exemplary librettos. Maybe Lorca's intensive nationalism proves dangerous to non-Spanish composers — and much of Szokolay's setting has overtones of obvious Spanish pastiche. But the implacable prejudices and wild, fateful, outbreaks of redressed passion which people his plays make colourful operatic condensation. And for composers cunning enough to remember practicalities, there is also the advantage of Lorca's concern for the Spanish woman's tragedy — a large number of female roles, both young and old.

So it is with *Blood Wedding*, which tells of the vendetta between two families. A young girl is betrothed to a young man whose father and brother have been murdered; during the wedding party, she elopes with her former, now-married boy friend. Insult compounds injury, for the two men belong to the warring families. "The hour of blood has come again," and the traditional knife fight is repeated, both men dying. The girl survives, but is ignored by the mourning women, as being incidental to the inevitable tragedy.

Szokolay's opera is short and compact, divided into three half-hour acts made up of many short scenes, in the *Wozzeck* tradition.

The musical language of *Blood Wedding* is officially described as "melody-centred," and the vocal lines certainly sound easy to sing: a skilful blend of Puccini and Berg, liquidised into fluent, melismatic recitative. The flexibility of this recitative style ranges from occasional parlando passages, all highly effective, to several set numbers, such as the formal lullaby for Leonardo's wife and the high tenor aria symbolising the mood. The scoring involves a huge orchestra, trimmed with mandolins, two harps, celeste and large percussion; but there are skilful, sparely worked patches, to counter the busy clatter of the wedding party.

The Hungarians brought an attractive, sensible staging, and nine of the 11 singers who made the Qualiton recording, notably led by Erzsébet Komlóssy as the bridegroom's mezzo mother, and Erzsébet Házy as the youthful soprano bride. András Kórodi conducted a superbly balanced performance, his Hungarian players reduced to only 80, and cramped into the King's Theatre.

The company opened at the King's last Friday with a double bill of *Bluebeard's Castle* and *The Miraculous Mandarin*. (These were brought to Edinburgh in 1963, as the Bartok trilogy; but *The Wooden Prince* has stayed at home this time). Their production of *Bluebeard* is stylised and visually pedestrian. There are no doors, only a honeycomb backdrop and heavy red and white lights. Only the fifth door opened effectively, when the theatre is flooded by front lights, and we blink with Judith at bright reality. But on Friday the musical performance was superb, with those two eminent Hungarian singers Katalin Kasza and György Melis in powerful, ringing voices, and a dazzling orchestral accompaniment from János Ferencsik.

The Hungarians have also abandoned Bartok's original stage instructions for the *Mandarin* ballet; but a dynamic muscular performance by Vera Szumrák as the girl was admirably partnered on Friday by Victor Fülöp's expertly evil Mandarin.

Pool Theatre

Michael Almaz plays

by B. A. YOUNG

Before going to see Michael Almaz's play of *Dreyfus* at the Pool Lunchtime Theatre in Edinburgh (where lunch goes on from 12.15 to 3.00), one should first see his shorter play, *The Chicago Sunday School for Anarchists* at the same place earlier in the day. This is a parable about the conflict, earlier this century, between the Chicago Anarchists and the Chicago police, and Mr. Almaz is squarely on the Anarchist side. It's not much of a play, and the acting by Muriel Romanes as the Anarchist Sunday School teacher and John Shedden as the grim Chicago detective is, no doubt intentionally, pitched firmly on a pantomime level. Nor does this seem to me exactly the right moment to extol the virtues of people who believe the bomb to be a useful political argument.

Dreyfus is another matter. It consists basically of three long speeches, delivered with more emotion than art by David Mouchtar-Samorai. The first and last of these are spoken by Dreyfus in his Devil's Island cell. They are collages of personal recollection, of his arrest and trial and imprisonment; extracts of evidence, both that made public and that concealed; and quotations from Press reactions and other public manifestations.

Between these speeches the actor removes his ill-fitting bald wig (an item, as we now perceive, of Brechtian alienation) and addresses the audience, or so he says, not as an actor speaking a part but as an individual personally concerned, though unless he is Michael Almaz under another name, I should have thought he was only exchanging one part for another. He soon explains what has been puzzling me—why it is that we have heard no word about the second most famous person involved, Emile Zola. The explanation is that Mr. Almaz does not believe that the French War Ministry was guilty, or Major du Paty de Clam of the Intelligence, or Bertillon who misidentified the handwriting on the notorious *bordereau*, or Col. Henry who forged evidence, or the snobbish French General Staff officers, or even the great surge of anti-Semitic opinion. It was, quite simply, the State: "the Dreyfus affair was the logical outcome of law and order," says Mr. Almaz blandly.

This must be a relief to any surviving anti-Dreyfusards, and should provide a fillip to anti-Semites who now know that they haven't got the Dreyfus affair on their conscience any longer. But to attribute injustice to the existence of organised justice is too easy. You might as well say that if you could only do away with food, no one would ever be hungry.

CINEMAS ARE CONTINUED ON PAGE 25

EUROPEAN NEWS

WEST GERMANY

Ford say militant core prevented return to work

BY JONATHAN CARR

BONN, August 29

CONFUSION REIGNED to-day at the Ford works in Cologne, now the major remaining flash-point of the unofficial strike which broke out two weeks ago in the West German engineering industry.

Elsewhere, in the wake of a televised address last night by Chancellor Willy Brandt expressing concern, union leaders were meeting to consider an offer by management for top level talks on the situation.

At the moment, Ford workers and management have reached agreement on a proposal which would have allowed work to restart later to-day, while further discussions were held.

The agreement covered a payment of DM280 per worker, spread over the next few months to make up for the rise in the cost of living, a major reason for the current strikes.

But at the appointed time, what a Ford spokesman described as a hard core of about 1,000 militants prevented work from beginning again in two-thirds of the plant.

The spokesman said that while physical violence was not involved, the militants had used threatening gestures which made general resumption of work impossible. He added that the strike at the plant, which employs some 20,000 workers, was now also affecting production in Saarlouis and Genk, Belgium, which depended on Cologne for parts.

In his television speech, Herr Brandt had appealed for restraint on both sides of industry and said he had gained the impression from his talks in the past few days that both were ready for discussion.

This was confirmed when the Federation of Engineering Employers announced it was ready for discussion with leaders of the engineering union, IG Metall. The union leaders were meeting late to-day to decide on their response.

One possibility is that both sides might bring forward the date for the start of a new round of wage negotiations for 1974, thus placating current strikers.

On the other hand there are signs that here and there management is aiming at immediate house agreements—such as that proposed at Ford—to avert the threat of stoppage.

Volkswagen is one example. The company announced agreement to-day under which its 123,000 workers in West Germany would receive DM280 in stages between next month and mid-January.

Editorial Comment, Page 18

Belgian plants hit

BY LORELIES OLSLAGER

BRUSSELS, August 29.

SOME 14,000 Belgian workers have been affected by the current spate of strikes in the German motor industry.

Ford at Genk, whose production is closely linked with that of Ford in Germany, said it would have to lay off some 7,500 people—that is nearly 80 per cent. of its work force—starting this afternoon because the German strike had led to a shortage of parts and material.

About 7,000 workers at the General Motors plant near Antwerp, on the other hand, returned to work to-day after having been laid off for 24 hours because of a strike at the General Motors plant at Bochum. The situation at Bochum is improving and parts and material are beginning to flow to Antwerp again.

Workers at the Belgian plants receive normal unemployment benefit plus a special bonus while being laid off.

Bonn Cabinet approves broad outline of new energy policy

BY MALCOLM RUTHERFORD

BONN, August 29.

THE BONN Cabinet to-day approved the broad outlines of the comprehensive energy programme promised by Chancellor Brandt in his statement of Government policy last January.

The Cabinet, however, has still to agree on the financing and the programme will not be published until next week. There is also a good deal of business still to be done in the way of forming a major German oil company.

Subject to these qualifications, Herr Hans Friderichs, the Economics Minister, told a Press conference to-day that the aim of the programme is to secure the country's medium- and long-term energy supplies at the most favourable possible cost. It also takes account of environmental factors.

The main source of energy, Herr Friderichs said, will remain oil, if only faute de mieux. Everything will be done to keep its share as low as possible, but it will remain above 50 per cent. in the 1980s.

Other sources of supplies, including natural gas and nuclear power, will rise to 33 per cent. of the total by 1980 and to 40 per cent. by 1985.

There will nevertheless be a need for more German oil refineries as the country tries to cuts its imports of petroleum products.

The new German oil company, as already reported, will be Veba, which is 40 per cent. owned by the Bonn Government. The plan is that it should take a greater share in the oil-prospecting consortium Deminex as well as a major stake in German refineries. It will then seek co-operation with the oil-producing countries and will play a large role in co-operation with eastern Europe and with Iran. The take-over, however, could take several months.

Herr Friderichs emphasised that this should not be seen as an attack on the oil majors already operating in the country and which have a market share of around 75 per cent. It was only part of the programme to ensure supplies.

The programme also includes a cut in German coal consumption from around 97m. tons in the current year to 83m. tons in 1978. Herr Friderichs acknowledged that coal was still an expensive source of energy, but it had not been felt wise to make any further cuts. The cost of relying on coal will be borne largely by the consumer and, all told, consumers will have to pay about an extra DM1,000m. a year or another half a pfennig per kilowatt hour. The coal import quota is expected to remain unchanged at 5.5m. tons.

The programme also envisages the construction of up to 100 new large power stations by 1985, taking electricity capacity from 60,000 megawatts at present to around 150,000 megawatts.

Grivas puts onus on Athens

BY OUR OWN CORRESPONDENT

NICOSIA, August 29.

GENERAL GRIVAS has made clear he will call off his present armed campaign only when Athens forces President Makarios to accept his own proposals for ending the present "abnormal situation in the island.

Otherwise, he said, he and his supporters are determined to continue their fight to the bitter end.

General Grivas' demands were outlined earlier in a proclamation to the Cypriot people calling on President Makarios to choose between Church and State, demanding free and democratic elections and asking for amnesty for all political detainees. The Archbishop has rejected all the demands.

In an open letter to Greek President Papadopoulos, copies of which were sent to local newspapers yesterday, Gen. Grivas said: "We are awaiting your decision on our proposals. Then we shall accept the verdict of the Greek / Cypriot people and nobody else."

Observers interpreted this as meaning a rejection of President Papadopoulos' recent call that he should end his armed campaign and disband his guerilla groups.

Gen. Grivas accused President Makarios of "betraying the national idea," and pointed out that Mr. Papadopoulos had not addressed a similar message to Archbishop Makarios asking him to stop searches and arrests of Grivas supporters.

He also complained that Greece was not now supporting Eoka men fighting for Enosis, while Mr. Papadopoulos seemed to ally himself with Cypriot Communists (who back President Makarios), despite the fact that Greek Communists are considered dangerous enemies of the regime.

Gen. Grivas claimed that he himself was fighting to end anarchy in Cyprus and to create a just and democratic regime. He said: "I have outlined my views on how the people's will can be genuinely and freely expressed. Therefore the question now is not for me to accept what you mention in your statement but whether you and President Makarios will accept my reasonable proposals for the democratisation of Cyprus and the restoration of normal conditions.

Observers believe President Makarios will probably be asked to make some concessions to Gen. Grivas when he holds talks in Athens with President Papadopoulos in early September, in the hope that these will satisfy Gen. Grivas sufficiently to make him call off his campaign.

● UN Secretary-General Kurt Waldheim arrived here to-day for an overnight stay and immediately plunged into talks with Cypriot leaders in an effort to boost intercommunal talks, which are again in a state of stagnation.

Dr. Waldheim, accompanied by his special representative in Cyprus and the UN peace force, first called on President Makarios at the presidential palace for discussions on the situation in the island and the progress of talks.

Row over Milan airport

BY PETER TUMIATI

ROME, August 29.

FOLLOWING A complaint filed by a Monza (Milan) lawyer, a Monza magistrate has notified Italy's director general of civil aviation that proceedings have been initiated over the noise levels at Milan Airport. An article of the penal code concerning nuisances and disturbances is being invoked.

The mayors of seven villages in the vicinity of Milan Airport have formed a consortium to oppose the noise levels. They claim that the approach and take-off lanes were moved recently under an order from the Ministry for Transport and Civil Aviation from an almost uninhabitated area to the one over their villages.

It is claimed that a number of large and expensive apartment blocks had been built in the uninhabitated zone. When tenants went to live in them the airport approach and take-off lanes were changed.

Four hospitals in the new approach area have also complained that their patients are being seriously affected.

UNIONS OPPOSE CLOSED CIRCUIT TV IN BANKS

By Peter Tumiati

ROME, August 29.

The trade unions which represent Milan bank clerks are opposing a plan to instal closed-circuit TV in the banks as a safety device against bank robberies. They fear that the system might be used to check the efficiency of the staff.

Italy's "workers' statute" legislation bans the use of all audio-visual devices to check the efficency and productivity of labour.

Inflation in France continues unabated

By Rupert Cornwell

PARIS, August 29.

INFLATION IN France is continuing unabated. The cost of living index rose 0.8 per cent. in July, the same amount as in June, while over the past three months prices have gone up at an annual rate of exactly 10 per cent.

To-day's announcement by the Finance Ministry will probably be greeted with something approaching relief by the Government in that the widely forecast and psychologically damaging jump of 1 per cent. did not happen. The authorities can still claim that the rise in living costs for the year to July at 7.4 per cent., is moderate by some other European standards.

As usual in the holiday season in France, it was the price of services that showed the worst increase, at 1.6 per cent. in the single month. Foodstuffs went up 0.7 per cent., compared with 1.3 per cent. in June, while manufactured goods rose only 0.6 per cent.

Persistence

However, the persistence of inflation, and the seeming inability of the Government to make any headway against it, is causing concern in all sections of society.

Rising prices, and the economic overheating which they partly reflect, were one of the main reasons behind the decision of the powerful employers' federation (Patronat) to advance its normal early-autumn policy meeting to to-morrow.

Public opinion polls have also shown that inflation is as potent a contributor as the continuing dispute at the Lip watch factory to the general fears of a stormy period ahead on the labour front this year. Union spokesmen are already taking an aggressive line, and the State railways (SNCF) are being mentioned as a possible target for industrial action.

The whole question of inflation, and the dilemma of what new measures to adopt against it, was discussed at a meeting this afternoon between the Finance Minister, M. Valery Giscard d'Estaing and President Pompidou at the Elysee Palace. It will also get a further airing at the weekly Cabinet meeting to-morrow.

Italian price rise slows down

By Peter Tumiati

ROME, August 29

THE ITALIAN index for consumer prices in July increased by only 0.6 per cent. against 0.9 per cent. in June and 1.5 per cent. in May thus confirming that the rate of inflation has slowed down.

Thus the Government's anti-inflation campaign is apparently showing results and the index for August is expected to confirm this. However, September and October will be crucial months. The psychological effect of the price freeze imposed by the Government will have worn off whereas pressure for increases in the prices of a wide range of goods is likely then to be at its peak. Shortages of several essential goods are being threatened owing to big increases in the cost of the imported raw materials needed to produce them.

For instance pasta, which is an essential component of the Italian diet, could be in short supply. It is made with hard wheat nearly 50 per cent. of the requirements of which have to be imported. It is alleged that if Italian pasta manufacturers had to import hard wheat at its current international price and sell the pasta manufactured from it at frozen wholesale and retail prices they would make a heavy loss on every kilo sold.

The situation has also become difficult in the case of cement. As for petroleum products the oil companies have been complaining bitterly for several months.

TURKEY

Tense run-up to the polls

BY METIN MUNIR IN ANKARA

TURKEY will in seven weeks elect a new Government at a time when its military is preventing a lower profile after dominating the political scene since March 1971.

Martial law has been lifted in all areas except Ankara and Istanbul. But while that has helped the parties in their electioneering, it has also permitted a sudden wave of strikes and lockouts throughout the country. The strikes in protest at the huge rise in the cost of living risk complicating the delicate path which Turkey has attempted to follow between democracy and military dictatorship.

The Army is still going through all the appearances of abdicating politics to the civilians. The four generals who intervened in March, 1971, to oust the Government of Mr Suleyman Demirel's Justice Party (JP) have all retired. The Chief of Staff, General Faruk Gurler, did so prematurely in March after making an unsuccessful bid to be elected President. The most radical of the four, General Muhsin Batur, Commander in Chief of the Air Force, retired on August 25 when his term of office expired, conforming to the strict timetables that control promotions and tenure of office in the armed forces.

Forces purge

The new Chief-of-Staff, Gen. Semih Sancar, regarded as a non-interventionist, now is the most powerful of the military. He has carried out a sweeping purge of the armed forces, retiring or reposting all officers above the rank of major with known interventionist views. At least 250 generals, admirals and colonels were involved in this purge. Observers believe that it has seriously diminished the prospect of a coup by senior officers.

This purge was facilitated by a feeling within the army that the repression of leftist elements, carried out since March 1971, has worked. Undoubtedly the anarchy of the pre-coup period has been curbed and the military has been able to establish law and order; but the Army Commanders have been less successful in carrying out sweeping reforms. Many of the intended reforms ran up against opposition in Parliament where Mr. Demirel's Justice Party continued to hold the majority of seats. Further, Parliament as a whole continued to reject the "helping hand" of the military.

The Assembly Speaker recently listed nine new laws as reform acts. But his list is misleading. One of them for example, is the University Reform Act which places universities under government control. In fact liberal scholars here believe that this measure will smother academic freedom. Three others are minor reforms on finance, taxation and the judiciary.

Ex-Premier Demirel: prestige regained

The three major reforms concerned petroleum, minerals and land. The Land Act was the most wide-ranging to emerge from Parliament and on paper is quite impressive. If it is implemented it will give land to 523,000 tenants who now own little or no land. They will receive 8m. acres over 15 years. Of this 2m. acres is private property, 3.5m. acres State property, and 2.5m. acres barren State property which will be made arable. The wisdom of distributing this State property has been questioned because the land in question is grazing land. Putting it under the plough, will hurt animal husbandry greatly. Another point which make critics sceptic is the memory of the 1945 land reform under which the only land distributed was State property. Private land was not touched because of the resistance of big landowners who then, as now, were strongly represented in Parliament.

The cost of the new land reform is estimated at $600m. It is a watered down version of the original Bill which was substantially changed by the conservative parties. Basically, private land which would have come under nationalisation for redistribution has been cut by half and the price doubled.

Perhaps the most surprising performance of these past 2½ years has been that of Mr. Demirel. From a position of strength within Parliament but disgrace with the military he has largely managed to retain his authority within the party and to stand up to the military. He has virtually recovered his former prestige and even aligned himself with General Sancar.

In spite of this the most significant aspect about the coming elections is that for the first time political observers are hesitant to say that his Justice Party will win an absolute majority. In the last elections in 1969 the JP got 46.5 per cent. of the vote and won 256 seats in the 450-man National Assembly. But since then it has split and will probably lose votes to the splinter Democratic Party. The ultra right-wing Nationalist Salvation Party, which has been recently established, will also probably eat into the JP following.

Mr. Bulent Ecevit's social democratic Republican Peoples' Party also split. Its veteran leader, the 87-year-old Mr. Ismet Inonu, resigned in anger after being defeated by Mr. Ecevit and recently asked the electorate to vote RPP. The RPP has formed a majority Govern in 23 years and its leader private say that they do expect to win a majority October. But they hope some of the Turkish La Party votes and have their on the election in 1977. Even Demirel has been quoted remarking to an out Western ambassador that believed the RPP would co power in 1977.

Whoever wins, and the must still favour Mr. De will face formidable prob According to reliable estin 1,700 people have been tried sentenced by military trib on subversion charges. Tria a further 4,000 are in pro and more than 1,000 still trial. A new law enables tribunals to continue wo beyond the expiry of martia until the cases before them been completed. The ext left-wing Turkish Labour has been abolished. All dailies, periodicals and ag tions have been banned or down; and although the munist-led guerilla organisa have been virtually elimin the campaign of repression not let up.

Repression

Western diplomats in Ar believe that repression has indiscriminate, unsophistic and short-sighed. They be that there is bound to reaction when the state normalcy is achieved, and terrorism may revive if onl revenge. Already workers throughout the period of m law are denied the right to have begun to show their When martial law is lifte expected, in Ankara and Ist next month, more strikes likely in the very centre Turkish industry.

Turkey will need a s Government to control the tion. Given the splits within parties and the strong d between the two major pa the JP and the RPP, the that it will be applied is faint one.

Moroccan Minister begins visit to France

BY RUPERT CORNWELL

PARIS, August 29.

THE MOROCCAN Foreign Minister M. Ahmed Taibi Benhima to-morrow starts a two-day official visit to France during which he will have talks with several Government leaders including a meeting with President Pompidou on Thursday afternoon.

His trip is in response to an invitation from his French opposite number, M. Michel Jobert, made during the French Foreign Minister's stay in Rabat in June. Officially at the centre of the two men's discussions will be Mediterranean and European affairs, as well as the Middle East where Morocco has recently been prominent in attempting to mediate.

However, it is probable that a good part of their talks will be devoted to compensation for foreign, and thus mainly French-owned land that was recently nationalised by the Rabat Government under a decree which took effect earlier this month.

The measures, which affect some 2,000 French families, strictly fall under the jurisdiction of the Franco-Moroccan Commission which is due to meet this autumn. But many French residents have already felt sufficiently outraged at their treatment to appeal to the Foreign Ministry in Paris for support.

The Moroccan Government for its part has declared that its action is only directed at the largest landowners who can well afford any loss they might suffer. Rabat accepts the principle that compensation should be paid, and is also offering favourable treatment to French investors in the country once "Moroccanisation" has been carried out.

Paris seems unlikely to press too strongly the French settlers' claims, given its anxiety to retain good relations with King Hassan.

Marseilles tensions grow

MARSEILLES, August 29.

RACIAL TENSIONS mounted here to-day when a 16-year-old Algerian boy died in hospital after being shot from two passing cars last night soon after the funeral of a French bus driver stabbed to death by a deranged Algerian immigrant.

The murdered boy, Ladj Lounef, told his parents he was going out for a stroll. In the street he was hit three times in the back by gunfire from two cars which sped off and disappeared, police said. A massive search has been mounted for the cars.

The shooting came just after a mass funeral procession through Marseilles for bus driver Emile Guerlack, the father of four, who was knifed to death by an Algerian, Salah Bougrine, over the week-end.

Bougrine wounded five passengers on the bus before being subdued by former French boxing champion, Gracieux Lamperti. He was nearly lynched by the crowd and is now in hospital.

This morning another Algerian, Said Ghilas, 42, was found unconscious near a railway track here with serious head wounds.

Reuter

German vehicle output shows 6% rise

BY ANDREW HARGRAVE

FRANKFURT, August 29

NEARLY SIX per cent. more motor vehicles were produced in the first seven months of this year in West Germany than in the same period in 1972, the industry's association announced here to-day. This compared with a 4.2 per cent. drop in output in the whole of last year compared with the previous one, and it may now be assumed that the country's total output in 1973 will exceed the 4m. mark.

Home demand

With the order intake for cars up by 16 per cent. and those for heavy vehicles by 12.5 per cent., the prospects for the industry—according to Herr Achim Diekmann, the association's general manager—were "not unfavourable." The rises in output were the highest in Europe, but lower than those in the U.S. and Japan.

Nevertheless, a certain slackness in home demand was beginning to show in the summer months which Herr Diekmann attributed partly to a consistently high demand over the past three years and partly to the autumn motor show (which is to open in Frankfurt in a fortnight's time), with buyers holding back in anticipation of new models.

Exports increased in the first seven months of this year by almost 10 per cent. (after a 4.6 per cent. drop in 1972 as a whole) despite the steeply rising proportion of German vehicles produced abroad. This year 850,000 units are expected to be turned out in over 100 production and assembly plants in 44 countries — and this, said Herr Diekmann, amounted to one German vehicle in every four sold abroad actually being produced abroad.

Herr Diekman commented that pressure on profits through rising costs has led to margins being narrowed by about a third on average. Compared with some of Germany's major competitors, the 2.6 per cent. to 2.7 per cent. yield on turnover made in Germany compared with about 7 per cent. averaged by U.S. manufacturers. A comparison with Germany's European rivals, including Britain, was less unfavourable.

Petrol tax

One of the reasons for the profit squeeze (apart from rising material and labour costs) was the inadequate increase in prices. Herr Diekmann claimed that between 1962 and 1972 motor vehicle prices in Germany rose by only 13.6 per cent. while the average wage of a craftsman in the industry increased by 315 per cent. While 20 years ago, a car cost him 77 weeks' wages, to-day he could buy it for 20.

He also criticised the Federal Government's policy, including higher petrol tax, which made the running of a car dearer, limited road building and abolished rail price maintenance. There was, he claimed, "virtually no elbow room" for price reductions in a sharply competitive industry.

The effect of currency changes, with successive revaluations of the D-Mark, would have been more serious had it not been for the boom. Germany, largest exporter of motor vehicles in the world, was already exporting substantially more to Europe than it was importing from the whole of European industry. Sales to the U.S. were up by 16.7 per cent. in the first half of this year to almost 440,000 units.

The threat of competition from Japan was increasing: but Japanese cars made up only a minute proportion of sales in Germany and, with a very fast growth in demand in Japan (where Germany sold twice as many cars last year than the Japanese sold in Germany), prospects for exports, said Herr Diekmann, must be favourable.

A longer-term factor in cost pressure must be the new anti-pollution measures due to be introduced in the U.S. in 1976. The U.S. absorbed well over one-fifth of Germany's total car output (well over one-third in the case of Volkswagen) and one estimate put the extra cost of complying with these measures at between £130 and £170 per vehicle.

However, Dr. H. J. Von Brunn, president of the association, feels the target date may not be achieved: moreover, European car manufacturers themselves intended to reduce the carbon-monoxide and hydrocarbon content of emission by 1975 and achieve the U.S. standards by 1980.

Britain leads

The ten-day show starting on September 13 has attracted nearly 1,200 exhibitors from 28 countries, with Britain (98 entries) leading the list of the non-German exhibitors. Italy and France follow with 87 and 67 entries respectively.

Reaction of BMW, one of Germany's leading car manufacturers, to the abolition of resale price maintenance from next year has been a lifting of fixed prices—but, at the same time, a raising of the so-called "recommended prices" permitted under the new legislation. As a result, the recommended domestic price of the BMW 1602 will next year go up from DM11,100 to DM11,280 and that of the BMW 2800 from DM20,300 to DM20,750.

Czech reply on W. Berlin

By Our Own Correspondent

PRAGUE, August

CZECHOSLOVAKIA TO-DAY replied to West German demands on consular representation of West Berlin, the West German trade mission said here to-day, moving one step closer to resolving the stalled negotiations between Bonn and Prague, which have put into doubt the scheduled visit of West German Chancellor Willy Brandt here on September 7.

Although he would not give any details of the reply, the spokesman said that the answer is being studied in Bonn and a reply would be published to-morrow.

But both the chancellor's visit and any preliminary visits by the State Secretary, Herr Paul Frank were still in doubt, he said.

The question of whether West Germany can represent West Berlin residents and institutions is also the main issue which has stalled Bonn's talks with East Germany, Hungary and Bulgaria.

West German diplomats here have said that the issue is a test case which Bonn hopes would give a more clear definition of West Germany's rights in West Berlin, as defined in the Four-Power agreement.

The agreement itself is vague on the question, and only stipulates that West Germany has the right "to perform consular services for persons with a permanent residence in the Western part of Berlin."

The essence of the controversy is that Bonn maintains that this includes not only indivic but also "legal persons," in ing courts and other institut but Czechoslovakia and its East European neighbours, the apparent consent of Mo are reluctant to define the relationship of Berlin and Germany in their bila treaties with Bonn, and insi a more restrictive interpreta which would give Bonn the to represent individuals and thus not raise the issu West Berlin's status.

Asked whether the Cz slovak reply to-day had mad prospects of Chancellor Bra visit brighter or dimmer, spokesman had no comment.

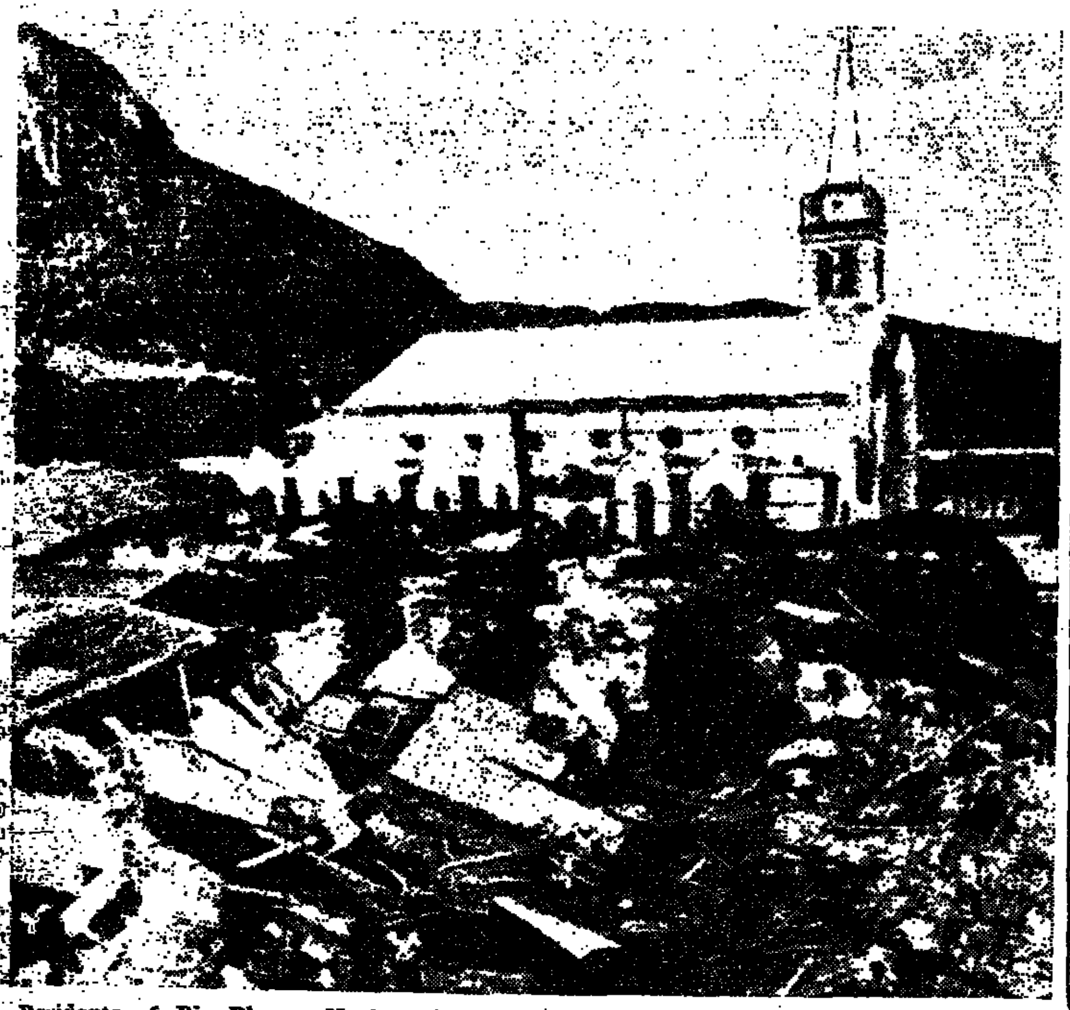
EEC political doubts on Spanish link

By Lorelies Olslager

BRUSSELS, August

THE EUROPEAN Commis continues to believe that countries with a political sys comparable with that of the founder-nations of the should become members of Community, officials said to-day.

They recalled this opinion mulated in a general Commis paper on the possible enla ment of the EEC in 1969, w asked to comment on the vis Spain by M. Michel Jobert, French Foreign Minister.



Residents of Rio Blanco, Mexico, sift through the rubble of their homes, destroyed in Tuesday's earthquake which is estimated to have killed at least 575 people. The injured are expected to number more than 20,000. Six towns south-east of the capital, Mexico City, were each two-thirds destroyed, police said and the authorities broadcast appeals throughout the night to medical students and trainee nurses to join volunteer squads aiding the victims. Aid is also being given to an estimated 350,000 people affected by the worst floods for a century in six other central and northern states.

Mr. Nixon badly needs a success and hopes to achieve it in the World Trade Talks. **Adrian Dicks** in Washington reports on the preliminaries in Congress

Protection from the protectionists

MINISTERS representing some 80 nations will gather in Tokyo on September 12 and set in motion a series of negotiations intended to bring about an even more extensive liberalisation of world trade than the Kennedy Round of the 1960s—and to do so in half the time. In the opinion of senior U.S. officials, the prospects for a brisk and successful start to this immense exercise are very good.

While no one can yet tell what the final agreement to be reached by the end of 1975 will look like, preliminary assessments of the talks here are a good deal more optimistic than they were a few months ago. One reason is the solid groundwork put in by the secretariat of the General Agreement on Tariffs and Trade, in Geneva. It has drafted a declaration for the Ministers to sign which lacks only an acceptable definition of the link between the trade talks and the monetary reform process to be complete. No one in Washington expects differences remaining on this point to be a major obstacle, particularly since progress on the monetary front itself has been encouraging.

Balance of payments

Another factor, which is not directly related to the forthcoming talks, but which has certainly had a bullish effect on official morale in Washington, is the solid improvement in the U.S. balance of payments in recent months. The second quarter of this year showed a turn-round of no less than $11,000m. from the first quarter, bringing about a surplus of some $463m. On the trade account there have been strong improvements in exports of manufactures as well as those of farm products.

But the most powerful reason why the Nixon Administration is determined to start the trade talks off well is because it badly needs a success. At home, Watergate and inflation have depressed the President's popularity to a level lower than that of any President in 20 years. In foreign affairs, little is left of his claim to have achieved peace with honour in South-East Asia.

A new monetary system and the Trade Agreement are to be the two supports of the new order of economic relations with America's friends and allies in the developed world. Mr. Kissinger, the newly-appointed Secretary of State, believes that upon it there can be founded a new political and strategic relationship with Europe and Japan which Mr. Nixon hopes will bring about a more even sharing of burdens.

In the monetary sphere the past two years have defined clearly enough what the Administration's goals are: an automatic adjustment process for countries with payments surpluses as well as for those with deficits, creation of a system based on Special Drawing Rights, and eventually the phasing out of gold.

In the trade field Mr. Nixon and his advisers have purposely tried to protect themselves against the protectionists by confining their public utterances to generalities, such as Mr. George Shultz's assertion that the U.S. will "get more than it gives" from the talks, or the claim of another official that it will enter them "more sinned against than sinning." In the Trade Bill it has sent to Congress, it has in effect asked for carte blanche to reach agreement on tariff cuts and ways around non-tariff barriers, as well as authority to raise tariffs where necessary to defend itself against other countries' actions.

Until the President has been granted such authority by Congress he cannot enter the actual process of negotiation at all, and the Common Market for one has said it would not contemplate sitting down to talk before Congress has acted. Yet far from having the Bill ready before Tokyo, it now looks as though the earliest the White House can hope to see it past the House and the Senate will be by the end of February next year.

In the view of Mr. William Eberle, President Nixon's special representative for trade negotiations, that need not seriously affect the time-table of the talks. Apart from agreeing on the opening declaration, the Minister's main task in Tokyo next month will be to set up the negotiating committee itself and to instruct it to meet before November 1 in order to begin a long process of settling definitions and procedural problems. This process could lead to the opening of the substantive negotiations in March or April. By that time the U.S. and the Common Market could both expect to have the terms of their negotiating mandates agreed, Mr. Eberle argues.

First stage

At the present moment the Trade Bill is still at the first stage of its Capitol Hill career, in the Ways and Means Committee of the House, where it is likely to remain for some weeks longer despite the impatience in the White House. Originally both the Administration and the Committee's chairman, Mr. Wilbur Mills, had hoped the committee would have finished its deliberations before the summer recess started three weeks ago, but Mr. Mills himself has been kept away by back trouble, and in his absence things appear to have slowed down.

The two next most senior members of the committee, Mr. Al Ullman and Mr. Herman Schneebeli, issued a statement when they rose for the recess, to the effect that they hoped that the committee could complete its work within a few weeks of resuming on September 4 or 5. They added that they hoped "our trading partners will not misunderstand the deliberate and careful manner in which the committee is considering the legislation," and that Tokyo talks "will go forward on the presumption of a common commitment to mutual trade negotiations in 1974."

So far the committee has tentatively agreed on the provisions giving the President power to negotiate tariff and quota reductions, though with some qualifications, and has also chewed over those offering adjustment assistance to domestic industries hard hit by imports. It has also given the Administration the strong support it has shown in the past for liberalisation, by twice decisively voting down import quota amendments moved by Congressman James Burke, co-sponsor with Senator Vance Hartke of the AFL-CIO's protectionist trade proposals—an action which has brought the Ways and Means Committee outspoken criticism from the labour group's leaders. They are likely to renew their attack on the Bill either when it reaches the House Rules Committee, prior to passing onto the floor of the house, or else on the Senate floor, where it is likely to be around the end of the year.

While the Ways and Means Committee has five out of the seven main sections of the Bill still to consider, the one that is certain to cause most delay is that providing for Most Favoured Nation status to be granted to the Soviet Union. Mr. Mills is one of the several hundred Congressmen who support an amendment that would deny this to the Russians as long as they continue to prevent Soviet Jews from emigrating freely to Israel.

The Administration, beyond rather unconvincingly claiming that the Soviet attitude has shown signs of softening, has not managed to find a way around this problem so far. But rather than see the Trade Bill held up any longer by a question that senior officials in the White House now frankly describe as marginal to its main purpose of granting the President his negotiating mandate, the Administration is now considering dropping from the Bill the provisions relating to the Soviet Union. Embarrassing as this might be in its dealings with the Kremlin, the White House now seems to have decided that the chances of getting separate legislation passed to keep its promise of MFN status would at least be no worse, whereas the removal of the problem could save valuable time for the rest of the Trade Bill.

Long shadow

The one matter that could still badly upset the Administration, and throw a long shadow over the beginning of the talks, is the possibility that President Nixon will impose a stringent system of controls on agricultural exports. The Administration has repeatedly denied any intention that it will in fact do any such thing, but its options in practice remain limited by the behaviour of the futures markets in the next few weeks and by what happens to this year's crops.

If the worst comes to the worst, the argument is likely to be that the U.S. itself is not to be blamed for excessive foreign buying or for foreign crop failures, whatever the historic importance of its customers. As one senior official put it, "We are certainly not going to be put in the position of being the bad boys this time." Yet such an attitude would hardly be a good omen for what both sides hope might be the chance at last to include farm products in a new overall set of trading rules.

Allende fights back with new Cabinet

SANTIAGO, August 29.

CHILEAN PRESIDENT Salvador Allende, in a new move to pull his nation through its prolonged crisis, announced his tenth Cabinet in less than three years, after declaring there would be "neither civil war nor a coup d'etat."

In a fighting speech, the Marxist leader vowed to continue his socialist revolution. Then he announced the Cabinet reshuffle in a clear bid to retain all the support from the armed forces he could muster.

"I represent a revolutionary process of change which will not be halted by terror nor Fascist threats," the 65-year-old President said in a nationwide broadcast last night.

He then named the team to replace his "Cabinet of National Unity."

His supporters were heartened by the fact that Dr. Allende managed to maintain a measure of military support, although his Cabinet now contains only one of the four armed forces chiefs who joined the "unity" Cabinet in the hope they would be able to end a road haulage strike and related unrest which has crippled the country for more than a month.

The chief of the para-military Carabineros police force, General Jose Maria Sepulveda, retains the portfolio of Lands and Settlements he held in the previous Cabinet.

The commanders of the Army, Navy and Air Force withdrew their overt support for the Socialist President under pressure from fellow officers and opposition politicians who alleged they were bringing the forces into disrepute by associating so closely with Dr. Allende.

But the President was able to persuade three lesser-ranking military men to join his new Cabinet, keeping the forces' representation at four out of 15.

He left his main political supporters, the Socialists and Communists, with three portfolios each and he brought a widely respected independent, Senor Carlos Brione, in to head the key Interior Ministry.

Dr. Allende indicated he did not expect an early end to his country's political and social chaos when he announced yesterday that he had decided to cancel his trip to the non-aligned summit conference in Algiers next month.
Reuter.

Equity Funding: 'SEC knew'

BY NICHOLAS COLCHESTER, U.S. FINANCIAL CORRESPONDENT

NEW YORK, August 29.

FRESH CONFUSION has been added to the insider trading applications of this year's celebrated Equity Funding scandal by the news in to-day's Wall Street Journal that the Securities and Exchange Commission knew that the insurance company was not secure on March 9, days before the stock analyst, Mr. Raymond Dirks began tipping his clients of the troubles that were to come.

Mr. Dirks began following up leads on the Equity Funding case around March 10 and began telling institutional clients of his research house, Delafield Childs, around March 15. These tip-offs triggered a massive institutional sell-out in the equity funding stock. Mr. Dirks did not go himself to the SEC until March 26 when the Commission quickly moved to suspend trading.

Once the full story of the Equity Funding fraud had spilled out—how the company had invented $125m. of non-existent assets and sold $2,000m. of phony life insurance to re-insurers — officialdom came down hard on Mr. Dirks.

The New York Stock Exchange filed disciplinary charges of fraud against the analyst saying that he had made material information about Equity Funding available to clients before it was publicly known. The Exchange felt that Dirks' first duty should have been to tell the Exchange and the Commission of the deception that he had uncovered.

So it comes as some surprise to-day to learn that the SEC knew that there might be something wrong with Equity Funding on March 9. The Commission admit sthis, but is unwilling to elaborate on the matter. The news prompts observers to ask why the Commission did not swing into action when it heard the news—or at least when Dirks' clients began to get out of their stock and the rumours began to fly.

As it is there has been talk of the Commission bringing its own actions against the analyst to match that of the Stock Exchange and the many civil suits that were filed against Mr. Dirks and his clients by other shareholders that were hurt by the slide in the Equity Funding stock.

The Commission said yesterday that the fact that it had some knowledge of potential trouble at Equity Funding in early March did not have a hearing on the SEC's decision whether to bring charges against Mr. Dirks or not.

To-day's revelation adds a new ingredient to the continuing argument on Wall Street as to whether Raymond Dirks did the right thing. The whole subject of insider trading is ill-defined and is currently the subject of much discussion.

Mr. Dirks has become something of a cult-hero on the Street as a result of his sleuthing and the subsequent debacle. He has held seminars and a book is in the works.

The Journal's relevation comes as a marginal plus point in his favour for it is now clear that at least one regulatory agency had at least a hint of the damning information on Equity Funding that he passed to his fund-manager clients.

Striking Canadian rail workers ready to defy Parliament

OTTAWA, August 29.

UNION OFFICIALS leading Canada's crippling nationwide rail strike have warned that their members may refuse to return to work if they are not satisfied with settlement legislation to be passed by Parliament.

The strike, by 56,000 auxiliary rail workers for more pay, was called last Thursday after almost a month of rotating stoppages around the country.

Mr. Pierre Trudeau, the Prime Minister, ordered the recall of Parliament for to-morrow when legislation to deal with the emergency is expected.

Mr. Richard Smith, chairman of the workers' bargaining team, said yesterday that many union members feel Parliamentary intervention in the past has caused them to fall behind workers in similar occupations. Some 1,500 striking workers paraded through Toronto yesterday chanting: "We won't go back. We won't go back."

Mr. Ross Jones, Toronto president of the rail union said many workers may report sick if they don't like the settlement decreed by Parliament. "We're not going to bow down like sheep again."

At the centre of the dispute is the workers' demand for a 21.6 per cent. wage increase over two years. Canada's 11 affected railways have offered an average wage increase of 13.5 per cent. over the same period. Last-ditch negotiations over the week-end between the two sides ended in a deadlock.

If Government legislation follows the pattern of previous Bills—118,000 striking rail workers were ordered back to work by Parliament in September, 1966—it will probably set out specific proposals on wages and provide for compulsory arbitration of other less important issues in the dispute.

As the strike continued, its effects were felt more and more by the average Canadian family in the form of shortages of certain foods and goods.

Mr. Trudeau in his speech on Monday noted that communities in Prince Edward Island, Newfoundland, and other northern areas had become virtually isolated.
Reuter

Argentine guerillas blamed for kidnapping

ASUNCION, August 29.

POLICE TO-DAY blamed an Argentine Marxist guerilla group for the kidnapping of a British meat plant manager, Ian Martin, and said he may already have been flown out of Paraguay to neighbouring Argentina.

Mr. Martin was kidnapped on Monday night and reports here have said his captors demanded a ransom equivalent to $1m.

Paraguayan police said the kidnapping—disclosed yesterday—was done by the Left-wing group known as the People's Revolutionary Army (ERP) of Argentina. A communique with ERP symbols and slogans was found inside Mr. Martin's abandoned car, an official statement said. It did not disclose the contents of the communique.

Their statement described Mr. Martin as "Anglo-Argentine"—an Argentine-born citizen of British descent—although earlier unofficial reports said he was British.—Reuter.

California defeats foreign bank Bill

SACRAMENTO, August 29.

LEGISLATION to restrict the growth of foreign banks in California was defeated in a State Senate Committee yesterday after opponents said it was an issue for the Federal Government. Lloyds, with its bid for First Western Bank, could have been affected by the proposed Bill.

If the Bill had been passed, the state might be unconstitutionally infringing on U.S. foreign policy, opponents said.

The measure was backed by some smaller independent California banks which have complained about competition from California-chartered banks headquartered in Tokyo, Montreal and other national capitals.
AP-DJ

U.S.-Japan trade deficit narrows

WASHINGTON, August 29.

THE U.S. merchandise trade deficit with Japan narrowed to about $958m. in the first seven months of 1973, according to Commerce Department figures. For the corresponding period of 1972, the figure was $2,200m.

In 1972 the deficit accounted for about two-thirds of a record $6,300m. U.S. trade deficit.

Meanwhile, the U.S.-Japan Trade Council said U.S. exports to Japan soared 69 per cent. in the first half from last year. In the same period, the council said, Japanese exports to the U.S. increased about 10 per cent. in dollar terms, but shipments of many products actually declined in volume.

The Council said that Japan exported fewer cars, motor cycles, television sets, sewing machines, radios and textile products to the U.S. in the first quarter and that this trend appeared to be accelerating in the second period.
AP-DJ

THREAT TO LIFE OF AGNEW'S DAUGHTER

WASHINGTON, August 29.

THREATS have been made on the life of Miss Susan Agnew, 26-year-old daughter of Vice-President Spiro Agnew, while she has been working aboard the U.S. hospital ship Hope, off Brazil, the Vice-President's office revealed to-day.

Miss Agnew returned to Washington this week at the request of her father because of fears that she might be kidnapped and used to bargain for the release of prisoners, a member of Mr. Agnew's office said.
Reuter

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● COMMUNICATIONS
More capacity over the Atlantic

FOR THE next two weeks, tests will be carried out on the fifth Intelsat IV synchronous satellite to be placed in orbit, prior to its commercial operation as a major communications link in the services across the Atlantic.

The unit was launched from Cape Kennedy last week and since then has been moved into its final orbiting position, 22,300 miles up in space.

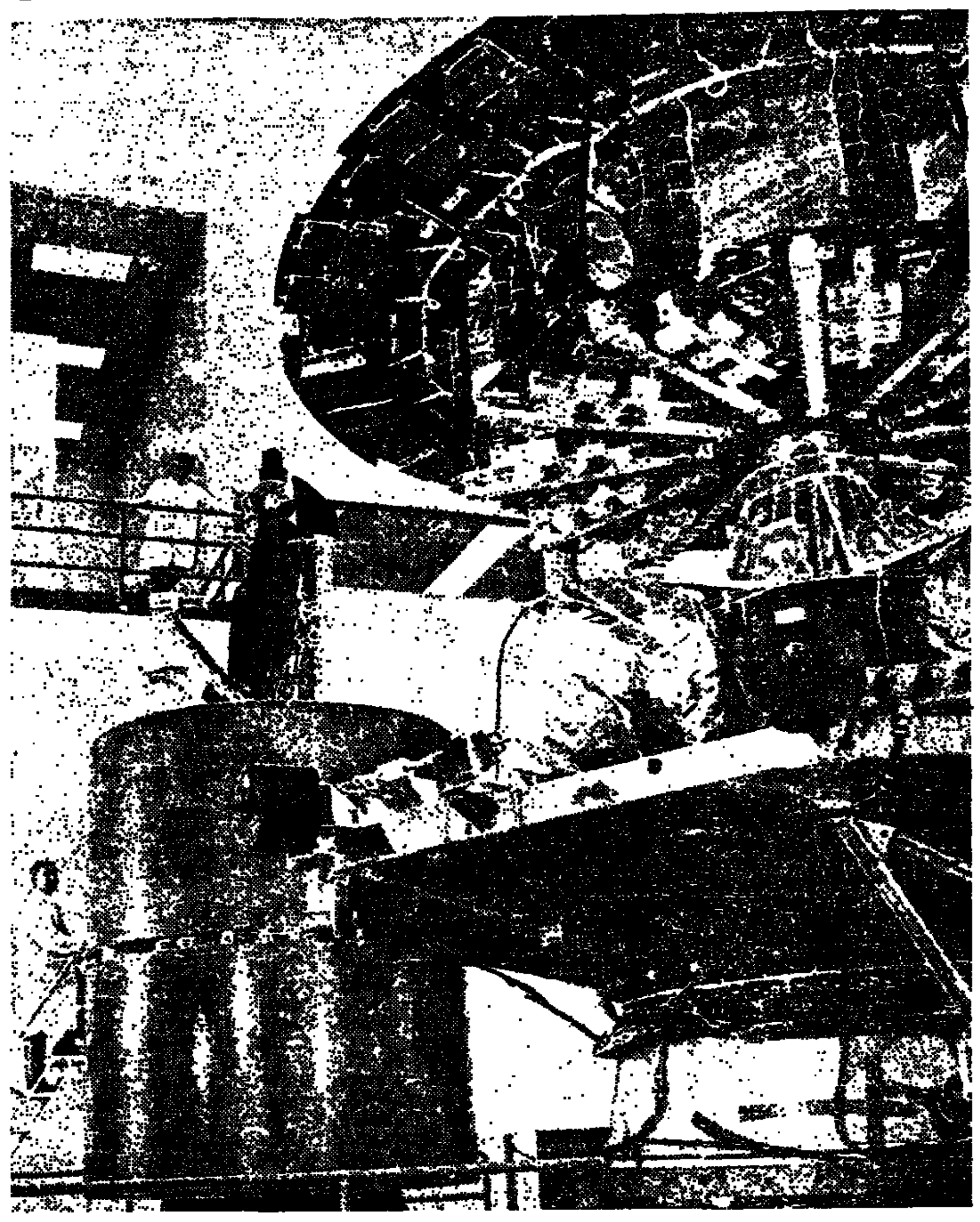
It is ten years since the first single-channel synchronous satellite went into operation. To-day's 3,160-lb descendant from this 147-lb pioneer will have capacity to carry either 12 simultaneous colour TV programmes or up to 5,000 two-way telephone calls.

Communications satellites planned for the next decade will have many times this capacity again and some will permit long-range TV broadcasting and reception with a minimum of extra equipment at the receiving end. The advanced designs will offer the possibility of setting up dedicated communication networks for police, military, banking and other organisations whose operations cover a large number of countries. They have been suggested as a possible means of providing trouble-free data communications covering the European area, for example.

Meanwhile, the five Intelsat IV communications units will, by the end of the year, be used via 93 large antennae at 73 ground stations in 55 countries, three of the units being above the Atlantic, one of the Indian Ocean and the last over the Pacific.

The equipment was designed and developed by Hughes Aircraft Company, El Segundo, Cal., working with a team from Europe, Canada and Japan. The European team leader is BAC of Britain.

Like the four previous successful launches, the latest one was made on a Delta vehicle. Some 28 minutes after launching, the spacecraft carrying the satellite was projected into a transfer orbit and after seven of these, when the craft was at its furthest point from earth, the apogee motor was fired to take the craft and the communications satellite into a circular orbit 22,300 miles out.



Engineers at Hughes Aircraft Company, El Segundo, California, examine the latest satellite (in background) while in foreground another "bird" nears completion.

● SAFETY
Fire hazard beaten by planning

WITH THE growth of dependence of industrial companies on data processing and magnetic media for company operations and records, the potential threat from fire is becoming more serious than ever before.

Apart from the danger to employees, particularly those working in installations where access has been made difficult for security reasons, fire hazard in many modern buildings does not seem to have been considered from the viewpoint of data storage or expensive computing equipment.

An example of what can happen is provided by the experience of Hirst Buckley, Scisset, Yorks. This company, business form printers in the Roneo Vickers group, had most of its premises destroyed by fire on July 2.

In ten minutes, the upper floor of the factory and the upper two floors of the office block were a blazing inferno. Stocks within the warehouse were rapidly reduced to a pile of ashes, likewise the computer installation, where all information on sales and orders through to invoicing, sales ledger and stock control was reduced to ashes.

First reaction of the accountants was to contact the manufacturer of the computer system, Litton ABS, to find out how many months' programing and installation it would take to get back to normal.

Within 24 hours Litton delivered a visible record computer. That same day the computer started operating in Hirst Buckley's nearby distribution centre at Clayton West, with the company's own tailor-made program.

This stroke of good fortune was made possible by a special service supplied by Litton, because in the preceding January it had prepared Hirst Buckley's yearly statements, and the programs, including the sales ledger master files, had been retained on punched paper tape at Litton's Leeds offices.

It was merely necessary to update some information but all the essential facts were there. Within a week a second computer was installed with an extra punched paper tape reader.

By the end of this month all systems should be running as usual.

Close watch on danger gases

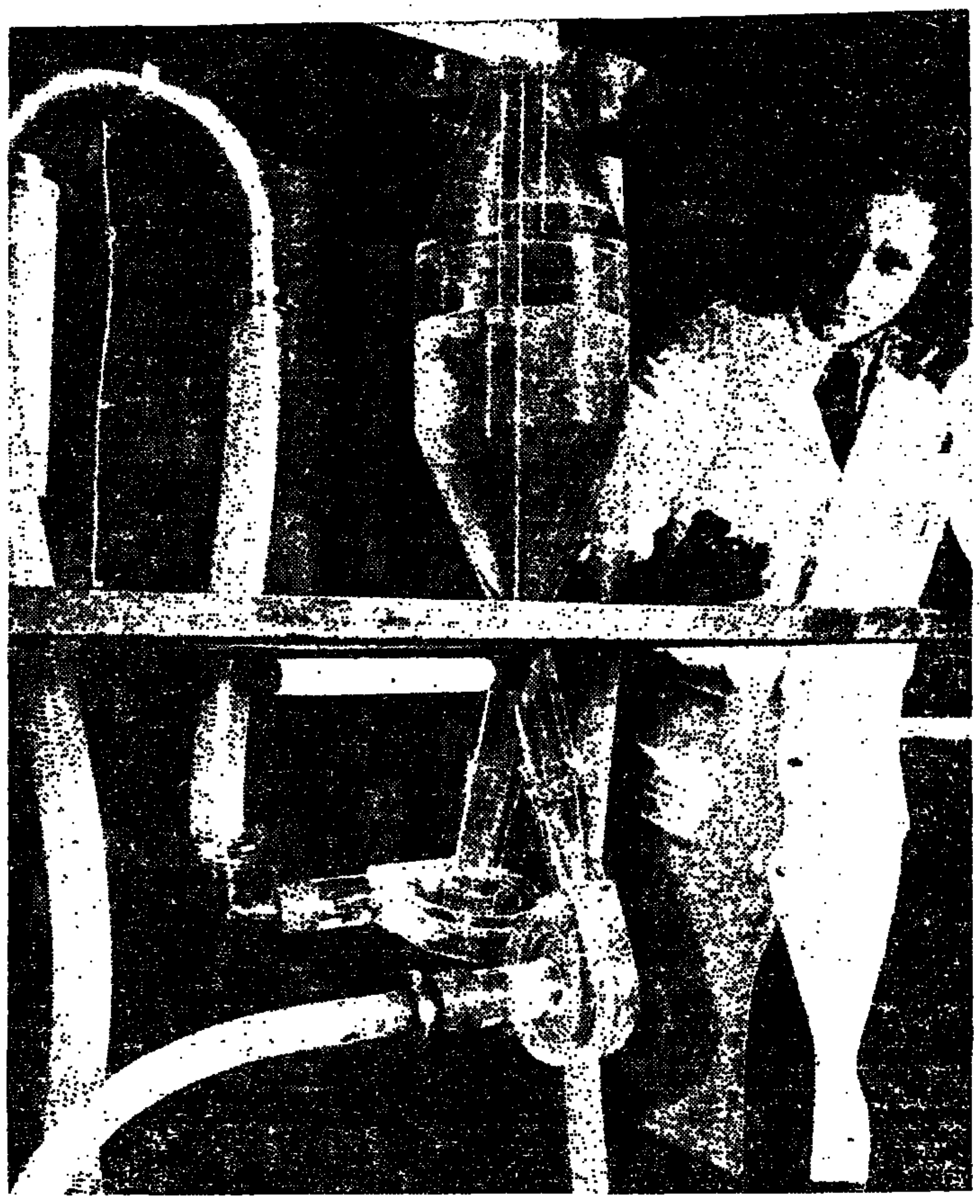
EARLY warning of the presence of hydrocarbon gases in the atmosphere, essential in potentially hazardous areas such as the gas and petro-chemical industries, is provided by a small detector type VQ2 made by English Electric Valve Company under NRDC licence.

The VQ2 will detect methane in air mixtures in concentrations from 0.1 per cent. upwards. It comprises two low-power matched elements to form two arms of a Wheatstone bridge. One element contains a catalyst which causes methane to burn on contact, with a resultant variation in its resistance. The other is a non-active compensating element which ensures that variations in atmospheric pressure, humidity and ambient temperature have negligible effect on the bridge output.

The output from the bridge is virtually linear up to 3 per cent methane in air, with a minimum sensitivity of 15mV per cent methane.

When used in a recommended bridge circuit maximum bridge power consumption is 0.48W, so making the device particularly suitable for portable battery operation.

EEV is at Chelmsford, Essex, CM1 2QU.



This prototype version of a vortex diode pump, manufactured by Engineering Design and Models (Manchester) is being tested with highly radio-active solutions at British Nuclear Fuels' Windscale Works.

The pump has no moving parts and relies on turbulence created in the two disc-shaped vortex diodes for its effect. Similar principles of vortex-induced turbulence have been used in the development by British Nuclear Fuels and the United Kingdom Atomic Energy Authority of pumps for handling highly radio-active substances in nuclear fuels reprocessing plant.

The company has produced a number of these vortex diode pumps from plastics, including an experimental rig model which was able to raise highly radio-active nitrate solutions against about 10 metres head.

Operating principle of the pumps is that an air displacement chamber takes the place of a conventional piston in a reciprocating pump, and vortex diodes replace normal moving valves. Alternative pressure and suction is applied by a compressed-air-powered ejector assembly, while the vortex diodes control the ultimate direction of flow of the liquid by providing a higher resistance in one direction than the other.

Trials are stated to have shown the pumps to have good performance, and a notably high tolerance for varying liquids, including dilute slurries. There are no critical adjustments, and blockage or failure cannot lead to dangerous escape of air or liquid, says the company.

● ENVIRONMENT
Keeping noise to a reasonable level

ONE OF the largest acoustic enclosures constructed in the U.K. to attenuate high noise levels generated by processing machinery has been designed and erected by Par Acoustics, at John Player and Sons, Nottingham. The factory was opened in November, 1972. A single enclosure, 50 metres long by 3 metres wide by 4.8 metres high, sharply cuts the noise emanating from a bank of heavy duty turbine-type exhausters and fans, which form an important stage of the cigarette manufacturing process.

Altogether 16 eight-stage turbine exhausters and eight paddle-bladed fans are arranged in-line along one brick wall at ground level. The 50 hp exhausters feed tobacco to the cigarette production machinery and each produces 2,000 ft.³/min. of air flow against a resistance of 120 inches wg.

Prior to the installation of this machinery, John Player engineers realised that the combined noise levels generated by these exhausters and fans would be far too high for the comfort and safety of machine operators working in the vicinity. Unattenuated, this equipment would produce a combined noise level of about 120 dBA.

A 17-bay modular structure in special panelling was designed.

These two inch thick panels are fabricated from steel sheet, stiffened by cross members and bolted to a medium gauge rolled steel section support frame. Sound absorption is achieved by means of a glass fibre mat fitted inside the panel and secured across the internal facing by a steel mesh. This reduces the noise level to NR85 on the international scale—88 dBA immediately outside the enclosure.

To achieve this degree of noise reduction, the chamber must be perfectly airtight. This created the problem of how to remove the heat that is generated by the exhausters working against the high load factor and which would otherwise build up within the enclosure. To overcome this difficulty, Par Acoustics designed and installed a ventilation system within the chamber.

Four aerofoil fans were installed to draw ambient air at low velocity from the factory through both ends of the enclosure. This air is ducted over the equipment and is then discharged into the atmosphere. The air intake and exhaust ducts have been silenced by using EVS attenuators.

● AUTOMATION
TV eye on rigs and pipelines

OIL PRODUCTION from the BP North Sea Forties field is to be monitored continuously by BP staff at the Dyce operations centre using the latest electronic techniques.

The functioning of the off-shore production platforms, the seabed pipeline to Cruden Bay and the on-shore pipeline to Grangemouth will be kept under observation through a complex of equipment based on Ferranti computers.

The operations centre will provide full alarm and data-logging facilities, a plant mimic diagram and—a novel feature—colour TV-type monitors which will present tabular and graphic information of the state of the remote plant on the platforms and pipeline.

Facilities will be operated by a Ferranti Argus 500 computer installation, which will be fully duplicated and have automatic changeover. The equipment system is designed to give a high level of availability to production staff. Each computer will employ 32K of core store and have a disc backing store of 2 Megabytes. The software for the project is based on the Ferranti real-time operating system, Director, which has facilities for the introduction and testing of new programs online in Fortran IV or Coral.

Data will be gathered by Ferranti Type 40,000 tele-control equipment with an outstation installed at each of the off-shore production platforms. These will collect oil production and other data and will provide for a number of controls—including remote emergency shutdown of production plant and the pipeline. The off-shore facilities will be manned and operated locally, but increasing use of remote operation later in the project will permit considerable reductions to be made in offshore manpower. Platform outstations will communicate with Dyce via a tropospheric scatter radio link to be provided between the shore and the field. Additional outstations will be installed at the Kerse of Kinneil and Cruden Bay terminals of the land pipeline and at the 18 intermediate pipeline valve sites, which will be linked to Dyce via PO telephone circuits.

● METALWORKING
High-speed riveting

EMBODYING THE most advanced method of blind riveting, the Funditor Brewer Riveting machine will consistently maintain a production speed of up to 1,000 and more rivets per hour.

Operation is automatic by pedal control with the operator required only to present the workpiece to the riveting station. Automatic feed, automatic rivet snap action and automatic disposal of mandrel ensure rapid riveting at low cost, it is claimed.

The standard range of machines will handle 2.5mm., 3mm., 3.5mm. or 4mm. rivets, in standard lengths. The rivet snap-action is pneumatically operated requiring a minimum of 60 psi, depending on the size of rivet being used.

Funditor, of South Way, Wembley, Middlesex, HA9 0HE, is a member of the Lamson Industries Group.

● PACKAGING
Weighs and fills the bags

A SIMPLE, in-line bag filling and weighing machine which requires no power supply is being produced by Regis Machinery (Sussex), Richmond Road, Bognor Regis.

Operated entirely by gravity, it has a mechanism which directs material first into one bag and, when this is filled to a predetermined weight, rapidly changes the material feed into the second bag. The standard model can be adjusted for bag weights of between 10 and 25 kg.

The rate of operation is said to be as fast as one man can remove and replace bags, which are held in position by quick-action clips. The machine is available with or without a free-standing hopper. It uses paper bags and can handle materials ranging from granular to potato size.

● MATERIALS
Grout gives time for positioning

AN EXTENSION to the range of resin fixing materials for anchoring systems has been introduced by the *Selfix Division of ECP* Resins, of Alfreton. Selfix HP is a thixotropic resin for use as a grouting-in compound for fixing anchor bars in civil engineering and mining applications where the use of resin capsules is not possible.

Selfix HP has been developed to provide an easy flow thixotropic grout which can be used in conjunction with a hand pump operation. Its characteristics are important for work on sites where power sources are not readily available for mixing and resin insertion and it allows resin systems to be used in restricted site situations. In addition, the material allows for filling and fixing in irregularly shaped cavities.

The material consists of a two-*part system of filler and resin* which are mixed on site. When mixed, Selfix HP has a curing time of between 20 and 40 minutes depending on temperature. This time-tolerance allows for latitude in the arrangement of anchorages while the resin is already in place in the locating *hole. It provides flexibility in* arrangements, for instance where several bolt anchorages are to be inserted in one operation.

ECP Resins claim to have given the lead in resin anchored fixings and to be foremost in this field with Selfix resin products.

ECP Resins offer a range of Selfix anchoring systems based on the use of polyester resin filled cartridges. These are inserted into pre-drilled holes and pushed into place by the anchor bolt which is then rotated to mix the resin and catalyst encapsulated in the cartridge. They enable fast, accurate installation to be achieved for a high strength fixing.

The new HP resin provides a widening of the Selfix range *which adds installation flexi*bility to the established characteristics of the resin cartridge range. It is available in plastic kegs ranging between 10 and 20 pounds in weight.

● OFFICE EQUIPMENT
Document handling

A SINGLE-LINE document handling air tube system has been developed by Lamson Engineering Company of Hythe Road, London, NW10 6RY.

The Lamson 750 is designed for use where paper work communication is required between up to 12 locations and where the communication pattern may be random in nature.

The system uses a single, 75 mm. diameter air tube for communication in either direction; simplified diverters near each station control the path of carriers and eliminate the need for multiple tube runs.

Operation of the Lamson 750 is fully automatic—the document carrier is dropped into a station, the code number of the *destination dialled and a button* is pushed.

Desk top duplicator

TOP-QUALITY COPIES on every run is the claim being made for a general purpose stencil duplicator, the Fordigraph, now being marketed by Ofrex, Ofrex House, Stephen Street, London, W1A 1EA. After installation, the duplicator needs as little attention as the office typewriter, says the company. Ingenious selective inking, oscillating ink rollers, generous image adjust*ment, plus automatic paper feed* and copy counter are among the advantages listed.

Standing on a desk top, it reduces to little more than a cubic foot with paper trays folded. All weights of paper in sizes up to 11 inches by 15 inches are handled.

● QUALITY CONTROL
Checking complex components

LARGE PROFILE milling cutters, dies for plastic mouldings, complex press tools, or any component with a complicated *shape or delicate surface finish* that precludes the use of contract mechanical measuring devices, can be examined and measured on a projector developed by Ealing Metrology, Greycaine Road, Watford WD2 4PW (division of Ealing Beck).

The screen is 60 inches square, and is equipped with clips for comparison overlays, etc. Grade and profile lens are supplied. The X10 lens has a 6-inch field of view able to receive cutters over 15 inches in diameter, while the X20 lens with a 3-inch field takes cutters up to 12-inch diameter—for 14-inch cutters the field is reduced to ¾ and for 18-inch cutters to ½ size.

The 30-inch measuring table has a built-in helix which gives a movement of plus or minus 15 degrees, and will take a component weighing up to 220 lbs. The projector itself measures 7 feet high by 7 feet 6 inches wide by 11 feet 6 inches deep, and costs about £6,000.

Secret Chinese Congress adopts new constitution

HONG KONG, August 29.

THE CHINESE Communist Party, meeting in secret session, held its tenth National Congress in Peking from August 24-28 and adopted a new party constitution, Peking Radio said to-day.

Mao Tse-Tung, the Party Chairman for almost 40 years, presided over the session. Premier Chou en-Lai, considered the number two man behind Mao, delivered the usual political report, the radio said.

Peking Radio, broadcasting the official Press communique, said the Congress was held "solemnly" and "was a congress of unity, a congress of victory and a congress full of vigour."

The communique denounced the late Lin Piao, once the crown prince of Chinese Communism, as a traitor and purged him from the party "forever." It said that Chen Po-Ta, who once served as Mao's private secretary and confidante, also was purged "forever."

Lin, Defense Minister for more than 12 years, was named as "successor" to Mao by an article in the Party Constitution adopted at the ninth National Congress, held in April, 1969.

He died in a plane crash in Mongolia in September, 1971, while trying to flee to the Soviet Union after an abortive coup attempt against Mao, according to accounts given by Chou and other Chinese leaders to visitors to China.

Chen Po-Ta was purged at the second Plenary Session of the Central Committee of the ninth Party Congress, held in September, 1970, a year before Lin fell.

Lin, Defence Minister for more he fled, and died. But he was never denounced by name until to-day's communique on the 10th Congress was issued. Previously, he was identified only as a "swindler like Liu Shao-Chin." (Liu who once was number two behind Mao, was purged and deposed as President of the Republic during the cultural revolution in 1966.)

One of the key purposes of the tenth congress was to revise the Constitution to eliminate the section specifying that Lin was Mao's "close comrade-in-arms and successor."

"The tenth National Congress of the Communist Party of China convened at a time when the Lin Piao anti-party clique had been smashed," Peking Radio said, quoting from the communique. UPI

● Reuter adds: The New China News Agency reported that Premier Chou en-Lai "delivered the political report on behalf of the Central Committee of the Communist Party of China."

This was the first item on the agenda and clearly confirmed Mr. Chou in his position. The second item on the agenda was a report on the revision of the Communist Party constitution by Wang Hung-Wen, Vice-Chairman of the Shanghai Revolutionary Committee, who clearly gained influence at the meeting.

Mr. Wang has previously been little known outside Shanghai, where he has been dealing with the day-to-day running of the city in the absence of the Chairman, Chang Chun-Chiao, in Peking.

Korea talks jeopardised

BY OUR OWN CORRESPONDENT

SEOUL, August 29

THE DIALOGUE for improved relations and eventual reunification between North and South Korea is on the verge of breakdown as Pyongyang has refused to negotiate with the present Seoul delegates, led by Mr. Lee Hu Rak, director of the South Korean Central Intelligence Agency.

The North Korean refusal was announced abruptly in a statement issued in Pyongyang yesterday by its nominal chief negotiator, Mr. Kim Yong Ju, a younger brother of President Kim Il Sung.

He demanded that Mr. Lee and two other officials of the South Korean CIA be replaced as members of the five-man South Korean negotiating team, accusing them of being responsible for the controversial abduction of Mr. Kim Dae Jung, a former South Korean opposition leader, from a self-imposed exile in Tokyo to Seoul early this month.

He also demanded that the Seoul Government release all political prisoners, discontinue political repressions and discard a Two-Korea policy, if it really wanted to continue a dialogue with the North.

Categorically denying the North Korean accusation at a news conference here to-day, Mr. Lee rejected the demands and suggested that South Korea might be willing to change all its delegates if the North agreed to replace all its negotiators as well.

There seems to be little chance for the year-old political talks between the two Koreas to be resumed shortly, at least not until after the debate of the Korean question at the forthcoming U.N. General Assembly.

The talks which have been held alternately in Seoul and Pyongyang, once every two or three months, have been deadlocked for some time due to wide differences on basic issues.

North Korea, however, did not mention anything about the Red Cross negotiations which had been conducted with the objective of reuniting divided Korean families in parallel with the political dialogue.

Amin fires bank chiefs

By Charles Harrison

NAIROBI, August 29.

PRESIDENT Amin of Uganda to-day dismissed Mr. Semwamo Kiyingi, governor of the Bank of Uganda, the country's central bank, and Mr. Christopher Kabenge, general manager of the State-owned Uganda Commercial Bank.

He appointed Mr. Onegi Obel, who has been working under Mr. Kiyingi as the new governor and Mr. Henry Kajura, who has been employed in the East African Development Bank, as the new general manager.

President Amin gave no reasons for the changes. He called in both men and told them they were not "bad," but should go on leave and that he would later give them new appointments.

He told the new appointees that they must give foreign exchange to all Ugandans who need it, indicating that the dismissals may have been a result of growing complaints about the central bank's refusal to allocate foreign exchange to people applying for it. The refusals are in fact due to a serious shortage of foreign exchange.

The President also announced that he was planning to "reorganise" Uganda's Lint Marketing Board because cotton was no longer being exported. He did not elaborate on this but his remarks appeared to indicate that the future of the Board's chairman, Mr. Henry Barlow, who is a Ugandan, is in doubt.

Earlier to-day, Britain's acting High Commissioner, Mr. John Stewart, called on President Amin and delivered a message from Mr. Heath. Its contents were not revealed but the President said he would reply soon.

Doubts over Assad plot 'executions'

By Ihsan Hijazi

BEIRUT, August 29.

THERE HAS BEEN no confirmation from official or informed sources of Press reports that 42 Syrian officers were executed in July for their alleged role in a plot against President Hafez Assad.

Diplomatic observers here who watch the Syrian scene are sceptical and believe that mass execution of officers is not practised in Syria despite the repeated upheavals and numerous military coups there. Thus far, the procedure has been to imprison or deport officers who may be involved in anti-State activities.

Speculative reports about certain events in Syria are not new. Last July the Lebanese Press said that as many as 300 Syrian army officers were arrested after an unsuccessful attempt on the life of President Assad

Arab oil policy 'ensured'

BY IHSAN HIJAZI

BEIRUT, August 29.

THE STATE visit to Saudi Arabia to-day by Sheikh Sabah al Salem al Sabah, the Emir of Kuwait, would complement the talks held in Jeddah last week between King Feisal and President Anwar Sadat on the question of use of Arab oil as a weapon for influencing the Middle East conflict.

Informed sources here expect the Saudi monarch to brief Sheikh Sabah on the outcome of the talks with Mr. Sadat.

The Egyptian information media to-day said President Sadat has ensured a common policy among the Arab oil producers regarding the use of the oil as a weapon and on investment of Arab oil funds deposited in Western banks in the interest of the Arab cause.

Arab diplomatic sources here said their information is that Mr. Sadat's talks with Feisal have been very successful. They said King Feisal promised to provide Sadat with as much money as Egypt would need to strengthen her position in the confrontation with Israel.

They said Feisal had told Sadat that Saudi Arabia would be ready to help Egypt pay her debts to the Soviet Union. These debts have accumulated from Egyptian arms purchases from Moscow and from Soviet economic loans.

The sources linked the Saudi promise to the sudden visit to Moscow by Dr. Abdel Aziz Higazi, the Egyptian Minister of the Treasury. The Minister flew to Moscow yesterday only 24 hours after he returned with Mr. Sadat from their tour of Saudi Arabia, Qatar and Syria.

The Emir of Kuwait is due to go to Cairo at the end of his four-day visit to Saudi Arabia. Observers here expect the Emir to brief King Feisal on the outcome of the recent talks between Kuwait and Iraq on the border problem between them.

The talks, held in Baghdad earlier this month by the Kuwaiti Crown Prince and Premier Sheikh Jabir al Ahmed, were inconclusive.

Saudi Arabia had expressed solidarity with Kuwait during the border clashes between Kuwait and Iraq last spring.

LON NOL'S GOVERNMENT

The end may now be at hand

BY STEWART DALBY IN SAIGON

ONE IS tempted to think that there might just be something in Marshal Lon Nol's mysticism. Throughout the summer he has sat, virtually incarcerated in the presidential palace in Phnom Penh surrounded by clanging gongs, his bonzes and his fortune-tellers with their entrails, while his Government has staggered through crisis after crisis.

Since the beginning of the year anti-Government forces have made two sustained attempts to topple Lon Nol and take over Cambodia. The first started in February and was carried on to the end of May. It is most simply characterised as the "ripe fruit" strategy. The insurgents put pressure on the provincial capitals and tried to cut Phnom Penh's lifelines, such as Route Four to the Port of Kompong Som and the Mekong River, so that eventually the capital would fall without a frontal assault. Then after a lull in June the anti-Government forces, apparently deciding that Phnom Penh could be taken sooner rather than later, switched tack and concentrated on Phnom Penh itself advancing on it from the South in particular in some strength.

This second offensive ran out just before August 15, the deadline for cessation of American bombing, either by coincidence or because the Americans had correctly calculated that by that time their intensive bombing would have blunted the insurgents advance.

Since the insurgents have not taken any provincial capitals, and since Phnom Penh is still in the hands of Lon Nol and is not noticeably short of supplies, they can in one sense be judged to have failed.

But if they have failed, and the Lon Nol Government has succeeded, it is success in its most negative form. The insurgents now control most of the country and retain the military initiative. Without the protective power of American bombing and with only a meagre airforce of its own, the Cambodian army will be more on the defensive than ever. Some attempts have been made at mobilisation and at injecting some urgency into the populace, but on the whole Phnom Penh retains a quality of indifference, and in large part this stems from the example emanating from the Presidential Palace.

Lon Nol has always been a remote figure, lacking the histrionic qualities of Prince Sihanouk, the man he ousted in 1970, or the genuine populism of his present long-suffering and not very powerful prime minister, In Tam. But in recent weeks he has rarely left the palace. He rises extremely early and his most frequent visitors are a *succession of* Generals with whom he pores over military maps and discusses tactics.

Knowledgeable observers are always warning against underestimating Lon Nol's ability as a political in-fighter. But it is difficult to imagine that in a country less homogenous and more naturally warlike than Cambodia Lon Nol would still be where he is. The people have a traditional reverence for the "leader."

A lot of the support given to Prince Sihanouk has simply been transferred to Lon Nol (who was for a long time before the overthrow of Sihanouk number two man in the Government). He has encouraged the belief that a God-chosen King (Prince Sihanouk voluntarily abdicated as King in 1955 and invested the monarchy in his parents) has been replaced by a God-chosen president. The men who helped to oust Sihanouk, Prince Sirk Matak, In Tam and Cheng Heng and their enfeebled political parties have not proved up to the task of removing Lon Nol, even though at times they have wanted to and are believed to have received tacit if qualified support from the Americans. Under Sihanouk the army was kept in its place and until 1970 it had only 35,000 men. Most of to-day's Generals are jumped-up majors and few observers claim to see any coming colonels who might upset the status quo.

Fragile and precarious though the Government is, it seems extremely unlikely that it will be brought down from within either by a coup or by a spontaneous uprising. The struggle in Cambodia is now clearly drawn. It is between an ill-prepared and lack-lustre Government with diminishing U.S. support and a group of military effective insurgents enjoying the backing of North Vietnam and, by extension of China and Russia.

The Lon Nol Government has supposedly been on the brink of collapse so many times, that one is hesitant to say that the denouement is about to arrive, but many observers feel that it is. Senior men in the U.S. Embassy in Phnom Penh are convinced that the insurgents are going to attack before the rains make it too difficult, in other words within the next two weeks.

It may already have started. The insurgents have been pressing on Kampong Cham, Cambodia's third largest town 50 miles north east of the capital, for the past fortnight, and this week came the news that they have cut the vital Route Four from Phnom Penh to the port of Kompong Som and Route Five to Battambang in the north.

Some observers argued that if the Government can hold on until the end of the year, there is a chance for a negotiated settlement to the war. The basis of this view, which is by no means universally held, is that the U.S., China and the USSR have all through reasons of their own reached the decision that they do not want to be involved in a protracted struggle in Cambodia. If therefore it seems that militarily there is to be no quick solution, the point might come where each of them will put pressure on the sides they are supporting to enter into talks. By far the most important consideration in the equation is whether Hanoi is willing to rein in the insurgents.

Although the North Vietnamese have now handed the war over to the insurgents, and have only 2,000 of their own men plus a sapper regiment actively fighting with them, Hanoi does still exert an important influence on the Cambodians.

The insurgents who number around 50,000 depend on North Vietnam for their supplies. Hanoi can keep them on a tight logistical string if it wants. But more important is the fact that the Hanoi-orientated faction has clearly emerged as the dominant one within the insurgency. This group is known as the Khmer Vietminh. It consists of men now in their thirties and forties, who were sent for training in North Vietnam after 1954.

Unlike the romantic revolutionaries of the old Khmer Rouge they were not educated outside Indochina and do not speak French. They speak Vietnamese and regard the Hanoi leaders as their political mentors. Mostly they are from the countryside and have nothing to do with the thin élite which ran the country in Sihanouk's day and still continues to run it now without Sihanouk.

The Khmer Vietminh have come to dominate the Central Committee of the Cambodian Communist Party which was formed last year, and also hold sway on most of the regional committees. Of the old Khmer Rouge leaders, only Khieu Samphan, who is one of the so-called ghostly trio together with Hou Yuon and Hum Nim, is thought to sit on the Central Committee. Gradually the American Embassy in Phnom Penh has been able to identify the Khmer Vietminh leaders but only by code names they have adopted.

None of these names would apparently mean much to the outside world. Because the Khmer Vietminh have never sat in Phnom Penh and governed or never sat in on world councils and negotiated for their future, they are happy to capitalise on Prince Sihanouk, with all his diplomatic skill and flair for catching newspaper headlines.

He himself has often hinted that he does not expect to return to Phnom Penh as the absolute leader he once was. If therefore the great powers decide to try to prevail on Hanoi to use its influence with the Khmer Vietminh it is possible to forsee some kind of talks taking place to arrive at a coalition government. But Lon Nol yesterday said he would fight on and the insurgents speaking through Prince Sihanouk have never wavered in their demands that they will not deal with the men who overthrew the Prince.

Against this, even if North Vietnam is not tired of years of war, the great powers appear to be.

President Lon Nol of Cambodia said at a Press conference in Phnom Penh yesterday that his Government had decided to seek a military victory in the Cambodian civil war. Asked about the stage reached in peace efforts, he added: "I am sorry, but I cannot reveal that."

NEWS ANALYSIS

Hawker unveils 'good neighbour jet'

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

Mr. Michael Heseltine, Minister for Aerospace and Shipping and Sir Arnold Hall, Chairman of Hawker Siddeley Group

THE HAWKER SIDDELEY HS-146 jet airliner project, announced yesterday, is aimed at a market estimated to be worth well over £2,000m. in the next ten years, covering some 1,500 areoplanes, of which Hawker is confident it can win 30 per cent. or more.

This is the market for a quiet, low-density (70-100 passengers) type of aircraft with a low noise level that can fly into and out of grass strips. This so-called "good neighbour" bus-stop aircraft will bring jet service to many communities throughout the world that either have no air services at all, or who so far have made do with piston-engined or turbo-prop airliners.

Before launching the HS-146 Hawker spent some years studying the market, with which it already has much experience in selling its twin-engined HS-748 feeder-liner turbo-prop, its HS-125 executive jet, and its Canadian Twin Otter.

It is convinced the sales potential is there, and the initial volume of airline interest (including that from British Airways' Regional Division) tends to confirm the fact.

Although the HS-146 has no orders as yet, Hawker is confident these are not far off, and its salesmen are getting on the road in force.

Two types

The HS-146 is a high-wing monoplane, with four U.S. Avco Lycoming ALF-502H jet engines mounted under the wing. It will be built in two version, one seating 71-88 passengers, and the other, with a longer fuselage and called the S-146-200, seating 102 passengers.

It will fly at 500 mph over distances of 1,200 miles, using only grass fields of 3,600 feet length. The first flight is set for late 1975 or early 1976, only 28 months away, with airline service set for early 1977.

Although the U.S. engine accounts for about 27 per cent. of the aircraft by value, the rest will be basically British—that is, there will be no direct European collaboration as such, unless companies on the other side of the Channel can provide parts and equipment cheaper and of better quality than their British counterparts—and they are free to tender if they wish.

Hawker and the U.K. Governmen see no harm in developing an aircraft without direct European collaboration — the Europeans have done the same in the recent past without seeking British collaboration (as in the Dassault Fan-Jet Falcon and Aerospatiale Corvette).

The HS-146 may be competitive with the Dutch-German F-28 Fellowship and VFW-614 jets but these are older aeroplanes and would have had to expect competition anyway.

The overall cost of the HS-146 is estimated at £80m. including research and development, jigging and tooling and initial production. Progress payments from airlines should be flowing in from about 1975 onwards, if not earlier.

The Government's contribution is fixed at £40m. in terms of January, 1972, prices, which means £46m. in current price terms, spread over seven to eight years. The Government's element will rise only in so far as inflation affects the price level. It will be recoverable through a levy on sales.

Any cost over-runs on the project, therefore, will be borne by Hawker Siddeley—but, as Sir Arnold Hall, group chairman, said yesterday, it is determined that there shall be no cost over-runs if possible.

The group is accustomed to working on tight fixed-price contracts and will insist on all its components and parts suppliers doing the same. The aim is to buy simple, rugged and proved parts, so as not to complicate the technology, delay the project, or put up the price (which is expected to be in the region of £1½m. per aeroplane).

This is why a U.S. engine was chosen—there was no comparable engine available in Europe from Rolls-Royce (1971) or anywhere else. Although Rolls-Royce is now discussing collaboration with Lycoming, any arrangements for work-sharing they may agree to must not, at Hawker's insistence, upset the time-scale or the pricing of the HS-146 programme.

Quiet

The ALF-502H Lycoming engine is derived from the T-55 engine which has already logged nearly 3m. hours of flying. It is a quiet engine—the "noise footprint" at 90 Perceived Noise Decibels (that is, the area exposed to noise at take-off) will be lower than that of a twin turbo-prop airliner, such as the HS-748, and much lower than that of a twin-engined jet such as the One-Eleven.

Hawker Siddeley, with its current cash reserves, could probably have financed the HS-146 itself, but preferred to do a deal with the Government, leaving some cash in the kitty for investments in other directions so as not to upset the present carefully maintained balance between aerospace and other activities in the Hawker Siddeley Group.

The group feels that the HS-146 will give it a balanced forward programme in aerospace, along with continued work on the HS-748 feeder-liner, the HS-125 executive jet, the HS-1182 military trainer Trident airliner, Harrier jump-jet and European A-300B air-bus.

The HS-146 will give employment to around 20,000 in the U.K. aerospace and related industries. The main production centre will be at Hatfield, but other Hawker factories will share the work.

Specifications for parts and equipment have been widely circulated, and tenders have already been received. Contracts for the supply of parts will be signed soon.

Among companies interested is Short Brothers and Harland of Belfast, on engine pods for the Lycoming engines. Where European companies can offer competitive prices, they will be given serious consideration.

James Finlay banking growth plans

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

EDINBURGH, August 29

JAMES FINLAY and Co., of Glasgow, has just completed a major financial reorganisation aimed mainly at assisting the growth of the merchant banking division, it launched in June.

It has approved an increase in its borrowing powers (which were formerly limited to twice share capital) from £7m. to £39m. This is approximately equal to twice the company's net tangible assets.

New shares

In addition, Finlay has made preparatory moves towards widening its share capital base, by authorising 500,000 new £1 shares (worth over £2m. at current prices) for issue at a later date.

The new banking division is taking deposits from companies and institutions, but Finlay says its bank's initial growth will be financed largely from the group's "substantial surplus liquidity."

In February, the company sold its entire general investment portfolio, realising a sum approaching £10m. These funds have been redeployed in the banking division.

The banking initiative, according to Mr. Ronald Monk, director in charge, is a logical extension of the company's desire for a more co-ordinated management of the funds of its extremely diverse group.

Founded in 1750 as a trading company dealing largely in jute and cotton, Finlay now controls a group of 40 subsidiaries and has substantial interests in a further 29 associated companies, engaged principally in Indian and East African tea trading.

Its other interests, include bakery supplies, confirming clearing and forwarding, manufacturing and merchanting, insurance broking, warehousing, and property development.

Calculating its current potential for attracting funds at anything up to £160m., the company decided to launch an autonomous banking unit. As well as offering a range of merchant and investment banking services, the unit will assist finally in obtaining its U.K. financial requirements.

Doubt over expected rise in use of LNG carriers

BY RAY DAFTER

THE ANTICIPATED upsurge in the use of liquefied natural gas (LNG) carriers is clouded by uncertainties in the energy and shipping industries, according to a report just published.

In its survey of the LNG market H. P. Drewry (Shipping Consultants) forecasts that by 1985 there will be a need for 12.9m. cubic metres of capacity. At the end of last year the total world LNG fleet comprised only 11 carriers with a total capacity of 470,000 cubic metres.

The report cautions, however, that "growing world currency instability, hardening OPEC country attitudes, the uncertain role of natural gas in world energy requirements, and unbalanced price structures for natural gas have all led to some projects now being classed as only probable, which were considered firm only a year ago."

Political and pricing restraints could restrict imports into the three main consuming areas—the U.S., Japan and Western Europe—below the projected levels for 1985.

Restraints seen

The report also sees restraints on LNG trade being imposed by the location and ownership of natural gas reserves. Iraq, Saudi Arabia, Kuwait and Venezuela are considered to have an "unfavourable" attitude to LNG exports which could adversely affect outlets for their oil production.

The demand for LNG carriers is not expected to put undue strain on shipyards, either. Drewry considers that at least 15 shipyards have the ability to produce such ships at a combined rate of about 25 vessels a year.

Facelift—and higher price—for Renault 6

By David Walker

THE FIRST FACELIFT for the Renault, 6 five-door saloon car range since it was introduced in 1968 was announced by Renault yesterday. At the same time, the price of the basic 6-850 is to go up from £891 to £940 and that of the 6TL from £982 to £1,030.

Renault, the leading importer of cars into the U.K., has so far turned out 950,000 cars in the 6 range. Output is now running at 850 units a day, nearly 50 per cent. of which are exported.

External changes, claimed to give the car a longer, lower and more modern appearance, include a redesigned radiator grill, a new front bumper, redesigned lamp clusters front and rear, and a black paintwork band along the sides beneath the doors.

Front seat modifications give better leg room for rear seat passengers, a heated rear window becomes standard on the 6TL and cloth upholstery an optional extra.

Price rises averaging 3 per cent. for other Renault models were announced earlier this month. The increases basically result from higher production costs in France and do not fully reflect the fall in the value of the pound against the French franc.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● COMMUNICATIONS

More capacity over the Atlantic

FOR THE next two weeks, tests will be carried out on the fifth Intelsat IV synchronous satellite to be placed in orbit, prior to its commercial operation as a major communications link in the services across the Atlantic.

The unit was launched from Cape Kennedy last week and since then has been moved into its final orbiting position, 22,300 miles up in space.

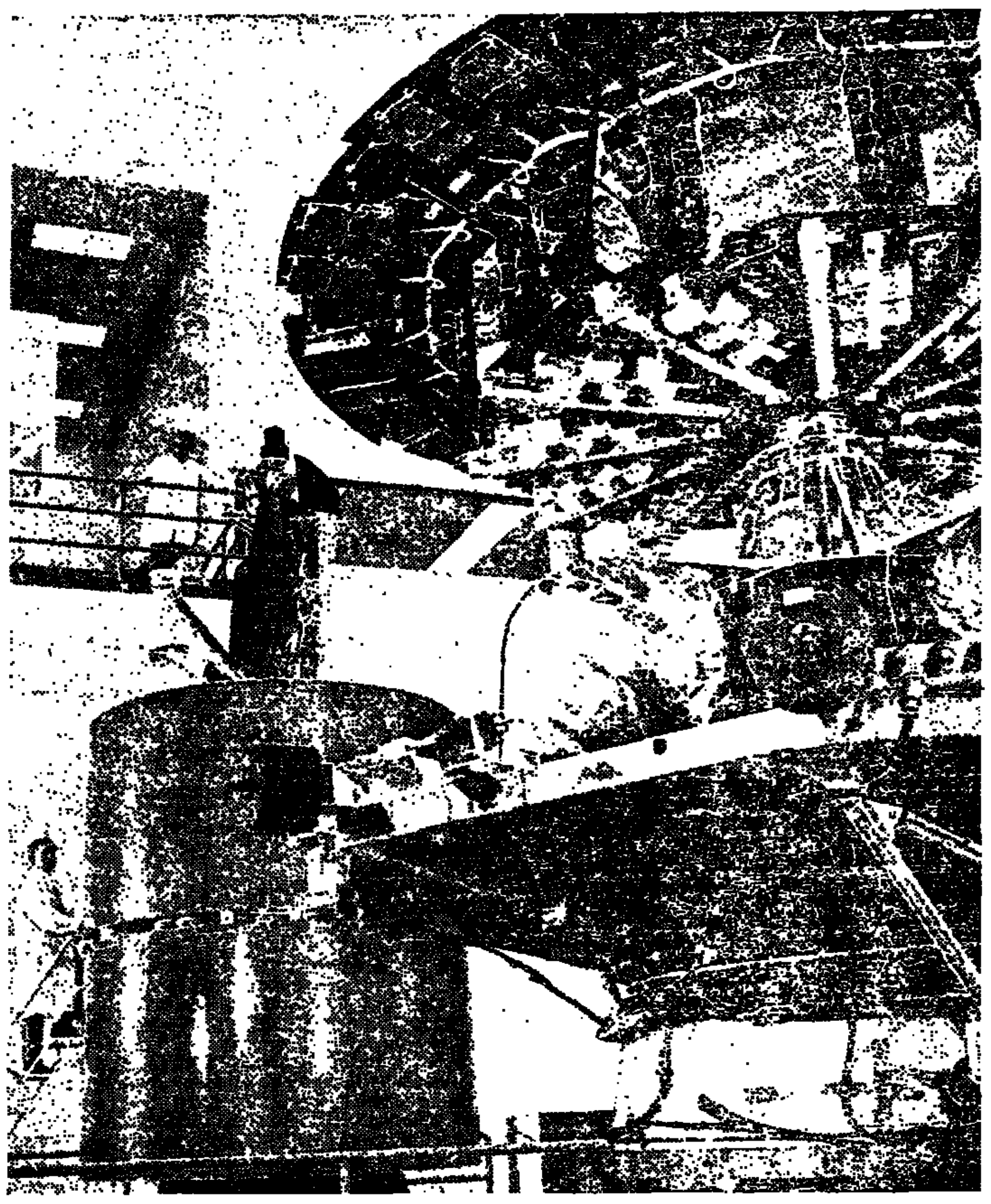
It is ten years since the first single-channel synchronous satellite went into operation. To-day's 3,100-lb descendant from this 147-lb pioneer will have capacity to carry either 12 simultaneous colour TV programmes or up to 5,000 two-way telephone calls.

Communications satellites planned for the next decade will have many times this capacity again and some will permit long-range TV broadcasting and reception with a minimum of extra equipment at the receiving end. The advanced designs will offer the possibility of setting up dedicated communication networks for police, military, banking and other organisations whose operations cover a large number of countries. They have been suggested as a possible means of providing trouble-free data communications covering the European area, for example.

Meanwhile, the five Intelsat IV communications units will, by the end of the year, be used via 93 large antennae at 73 ground stations in 55 countries, three of the units being above the Atlantic, one of the Indian Ocean and the last over the Pacific.

The equipment was designed and developed by Hughes Aircraft Company, El Segundo, Cal., working with a team from Europe, Canada and Japan. The European team leader is BAC of Britain.

Like the four previous successful launches, the latest one was made on a Delta vehicle. Some 28 minutes after launching, the spacecraft carrying the satellite was projected into a transfer orbit and after seven of these, when the craft was at its furthest point from earth, the apogee motor was fired to take the craft and the communications satellite into a circular orbit 22,300 miles out.



Engineers at Hughes Aircraft Company, El Segundo, California, examine the latest satellite (in background) while in foreground another "bird" nears completion.

● SAFETY

Fire hazard beaten by planning

WITH THE growth of dependence of industrial companies on data processing and magnetic media for company operations and records, the potential threat from fire is becoming more serious than ever before.

Apart from the danger to employees, particularly those working in installations where access has been made difficult for security reasons, fire hazard in many modern buildings does not seem to have been considered from the viewpoint of data storage or expensive computing equipment.

An example of what can happen is provided by the experience of Hirst Buckley, Scissett, Yorks. This company, business form printers in the Roneo Vickers group, had most of its premises destroyed by fire on July 2.

In ten minutes, the upper floor of the factory and the upper two floors of the office block were a blazing inferno. Stocks within the warehouse were rapidly reduced to a pile of ashes, likewise the computer installation, where all information on sales and orders through to invoicing, sales ledger and stock control was reduced to ashes.

First reaction of the accountants was to contact the manufacturer of the computer system, Litton ABS, to find out how many months' programing and installation it would take to get back to normal.

Within 24 hours Litton delivered a visible record computer. That same day the computer started operating in Hirst Buckley's nearby distribution centre at Clayton West, with the company's own tailor-made program.

This stroke of good fortune was made possible by a special service supplied by Litton, because in the preceding January it had prepared Hirst Buckley's yearly statements, and the programs, including the sales ledger master files, had been retained on punched paper tape at Litton's Leeds offices.

It was merely necessary to update some information but all the essential facts were there. Within a week a second computer was installed with an extra punched paper tape reader.

By the end of this month all systems should be running as usual.

Close watch on danger gases

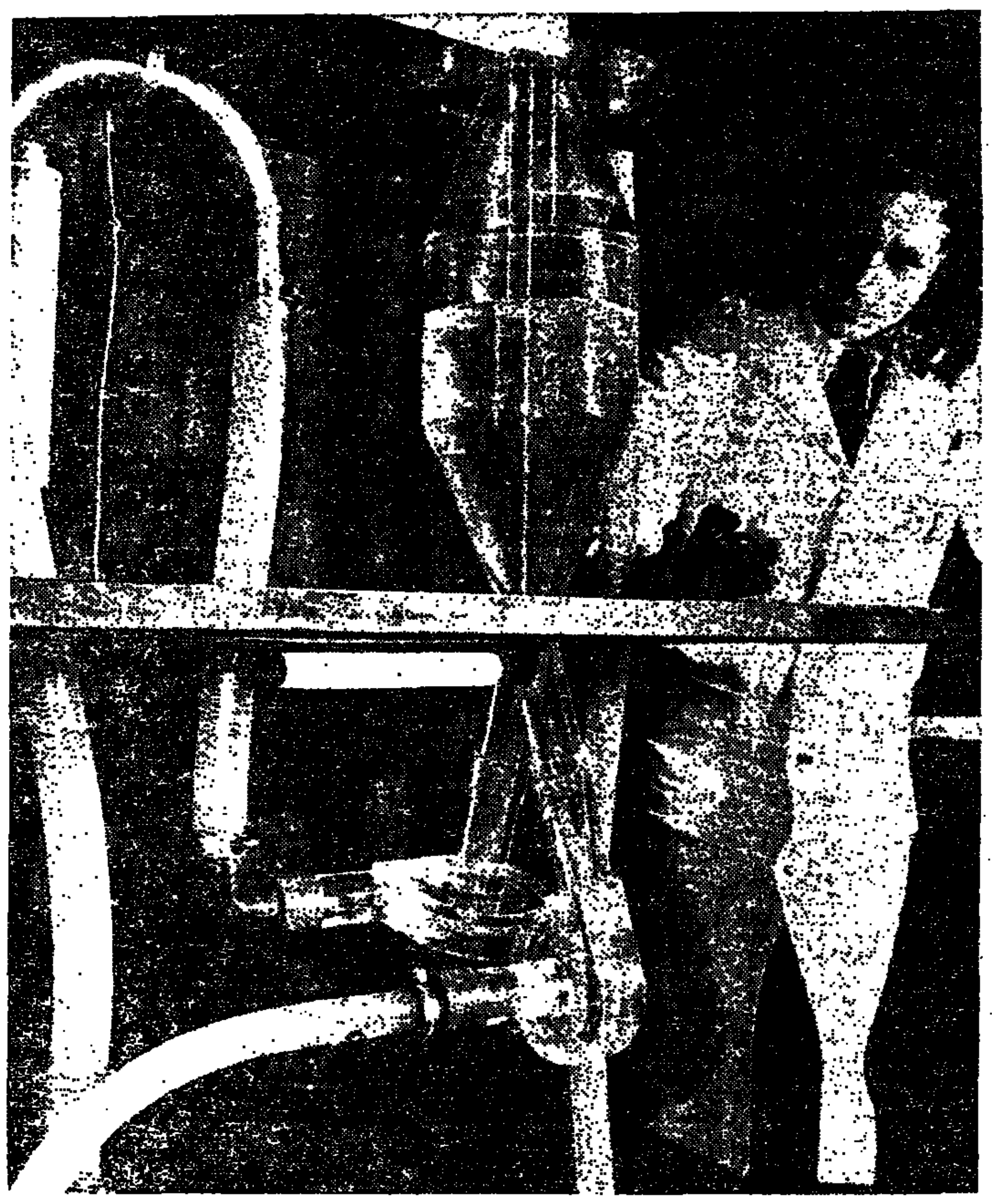
EARLY warning of the presence of hydrocarbon gases in the atmosphere, essential in potentially hazardous areas such as the gas and petro-chemical industries, is provided by a small detector type VQ2 made by English Electric Valve Company under NRDC licence.

The VQ2 will detect methane in air mixtures in concentrations from 0.1 per cent. upwards. It comprises two low-power matched elements to form two arms of a Wheatstone bridge. One element contains a catalyst which causes methane to burn on contact, with a resultant variation in its resistance. The other is a non-active compensating element which ensures that variations in atmospheric pressure, humidity and ambient temperature have negligible effect on the bridge output.

The output from the bridge is virtually linear up to 3 per cent. methane in air, with a minimum sensitivity of 15mV/per cent. methane.

When used in a recommended bridge circuit maximum bridge power consumption is 0.48W, so making the device particularly suitable for portable battery operation.

EEV is at Chelmsford, Essex, CM1 2QU.



This prototype version of a vortex diode pump, manufactured by Engineering Design and Models (Manchester) is being tested with highly radio-active solutions at British Nuclear Fuels' Windscale Works.

The pump has no moving parts and relies on turbulence created in the two disc-shaped vortex diodes for its effect. Similar principles of vortex-induced turbulence have been used in the development by British Nuclear Fuels and the United Kingdom Atomic Energy Authority of pumps for handling highly radio-active substances in nuclear fuels reprocessing plant.

The company has produced a number of these vortex diode pumps from plastics, including an experimental rig model which was able to raise highly radio-active nitrate solutions against about 10 metres head.

Operating principle of the pumps is that an air displacement chamber takes the place of a conventional piston in a reciprocating pump, and vortex diodes replace normal moving valves. Alternative pressure and suction is applied by a compressed-air-powered jet ejector assembly, while the vortex diodes control the ultimate direction of flow of the liquid by providing a higher resistance in one direction than the other.

Trials are stated to have shown the pumps to have good performance, and a notably high tolerance for varying liquids, including dilute slurries. There are no critical adjustments, and blockage or failure cannot lead to dangerous escape of air or liquid, says the company.

● ENVIRONMENT

Keeping noise to a reasonable level

ONE OF the largest acoustic enclosures constructed in the U.K. to attenuate high noise levels generated by processing machinery has been designed and erected by Par Acoustics, at John Player and Sons, Nottingham. The factory was opened in November, 1972. A single enclosure, 50 metres long by 3 metres wide by 4.8 metres high, sharply cuts the noise emanating from a bank of heavy duty turbine-type exhausters and fans, which form an important stage of the cigarette manufacturing process.

Altogether 16 eight-stage turbine exhausters and eight paddle-bladed fans are arranged in-line along one brick wall at ground level. The 50 hp exhausters feed tobacco to the cigarette production machinery and each produces 2,000 ft.³/min. of air flow against a resistance of 120 inches wg.

Prior to the installation of this machinery, John Player engineers realised that the combined noise levels generated by these exhausters and fans would be far too high for the comfort and safety of machine operators working in the vicinity. Unattenuated, this equipment would produce a combined noise level of about 120 dBA.

A 17-bay modular structure in special panelling was designed.

These two inch thick panels are fabricated from steel sheet, stiffened by cross members and bolted to a medium gauge rolled steel section support frame. Sound absorption is achieved by means of a glass fibre mat fitted inside the panel and secured across the internal facing by a steel mesh. This reduces the noise level to NR85 on the international scale—88 dBA immediately outside the enclosure.

To achieve this degree of noise reduction, the chamber must be perfectly airtight. This created the problem of how to remove the heat that is generated by the exhausters working against the high load factor and which would otherwise build up within the enclosure. To overcome this difficulty, Par Acoustics designed and installed a ventilation system within the chamber.

Four aerofoil fans were installed to draw ambient air at low velocity from the factory through both ends of the enclosure. This air is ducted over the equipment and is then discharged into the atmosphere. The air intake and exhaust ducts have been silenced by using EVS attenuators.

● AUTOMATION

TV eye on rigs and pipelines

OIL PRODUCTION from the BP North Sea Forties field is to be monitored continuously by BP staff at the Dyce operations centre using the latest electronic techniques.

The functioning of the off-shore production platforms, the seabed pipeline to Cruden Bay and the on-shore pipeline to Grangemouth will be kept under observation through a complex of equipment based on Ferranti computers.

The operations centre will provide full alarm and data-logging facilities, a plant mimic diagram and—a novel feature—colour TV-type monitors which will present tabular and graphic information of the state of the remote plant on the platforms and pipeline.

Facilities will be operated by a Ferranti Argus 500 computer installation, which will be fully duplicated and have automatic changeover. The equipment system is designed to give a high level of availability to production staff. Each computer will employ 32K of core store and have a disc backing store of 2 Megabytes. The software for the project is based on the Ferranti real-time operating system, Director, which has facilities for the introduction and testing of new programs on-line in Fortran IV or Coral.

Data will be gathered by Ferranti Type 40,000 tele-control equipment with an outstation installed at each of the off-shore production platforms. These will collect oil production and other data and will provide for a number of controls—including remote emergency shutdown of production plant and the pipeline. The off-shore facilities will be manned and operated locally, but increasing use of remote operation later in the project will permit considerable reductions to be made in offshore manpower. Platform outstations will communicate with Dyce via a tropospheric scatter radio link to be provided between the shore and the field. Additional outstations will be installed at the Kerse of Kinnell and Cruden Bay terminals of the land pipeline and at the 18 intermediate pipeline valve sites, which will be linked to Dyce via PO telephone circuits.

● METALWORKING

High-speed riveting

EMBODYING THE most advanced method of blind riveting, the Funditor Brewer Riveting machine will consistently maintain a production speed of up to 1,000 and more rivets per hour.

Operation is automatic by pedal control with the operator required only to present the workpiece to the riveting station. Automatic feed, automatic rivet snap action and automatic disposal of mandrel ensure rapid riveting at low cost, it is claimed.

The standard range of machines will handle 2.5mm., 3mm., 3.5mm. or 4mm. rivets, in standard lengths. The rivet snap-action is pneumatically operated requiring a minimum of 60 psi, depending on the size of rivet being used.

Funditor, of South Way, Wembley, Middlesex, HA9 0HE, is a member of the Lamson Industries Group.

● PACKAGING

Weighs and fills the bags

A SIMPLE, in-line bag filling and weighing machine which requires no power supply is being produced by Regis Machinery (Sussex), Richmond Road, Bognor Regis.

Operated entirely by gravity, it has a mechanism which directs material first into one bag and, when this is filled to a predetermined weight, rapidly changes the material feed into the second bag. The standard model can be adjusted for bag weights of between 10 and 25 kg.

The rate of operation is said to be as fast as one man can remove and replace bags, which are held in position by quick-action clips. The machine is available with or without a free-standing hopper. It uses paper bags and can handle materials ranging from granular to potato size.

● MATERIALS

Grout gives time for positioning

AN EXTENSION to the range of resin fixing materials for anchoring systems has been introduced by the Selfix Division of ECP Resins, of Alfreton. Selfix HP is a thixotropic resin for use as a grouting-in compound for fixing anchor bars in civil engineering and mining applications where the use of resin capsules is not possible.

Selfix HP has been developed to provide an easy flow thixotropic grout which can be used in conjunction with a hand pump operation. Its characteristics are important for work on sites where power sources are not readily available for mixing and resin insertion and it allows resin systems to be used in restricted site situations. In addition, the material allows for filling and fixing in irregularly shaped cavities.

The material consists of a two-part system of filler and resin which are mixed on site. When mixed, Selfix HP has a curing time of between 20 and 40 minutes depending on temperature. This time-tolerance allows for latitude in the arrangement of anchorages while the resin is already in place in the locating hole. It provides flexibility in arrangements, for instance where several bolt anchorages are to be inserted in one operation.

ECP Resins claim to have given the lead in resin anchored fixings and to be foremost in this field with Selfix resin products.

ECP Resins offer a range of Selfix anchoring systems based on the use of polyester resin filled cartridges. These are inserted into pre-drilled holes and pushed into place by the anchor bolt which is then rotated to mix the resin and catalyst encapsulated in the cartridge. They enable fast, accurate installation to be achieved for a high strength fixing.

The new HP resin provides a widening of the Selfix range which adds installation flexibility to the established characteristics of the resin cartridge range. It is available in plastic kegs ranging between 10 and 20 pounds in weight.

● QUALITY CONTROL

Checking complex components

LARGE PROFILE milling cutters, dies for plastic mouldings, complex press tools, or any component with a complicated shape or delicate surface finish that precludes the use of contact mechanical measuring devices, can be examined and measured on a projector developed by Ealing Metrology, Greycaine Road, Watford WD2 4PW (division of Ealing Beck).

The screen is 60 inches square, and is equipped with clips for comparison overlays, etc. Grade and profile lens are supplied. The X10 lens has a 6-inch field of view able to receive cutters over 15 inches in diameter, while the X20 lens with a 3-inch field takes cutters up to 12-inch diameter—for 14-inch cutters the field is reduced to ¾ and for 18-inch cutters to ½ size.

The 30-inch measuring table has a built-in helix which gives a movement of plus or minus 15 degrees, and will take a component weighing up to 220 lbs. The projector itself measures 7 feet high by 7 feet 6 inches wide by 11 feet 6 inches deep, and costs about £6,000.

● OFFICE EQUIPMENT

Document handling

A SINGLE-LINE document handling air tube system has been developed by Lamson Engineering Company of Hythe Road, London, NW10 6RY.

The Lamson 750 is designed for use where paper work communication is required between up to 12 locations and where the communication pattern may be random in nature.

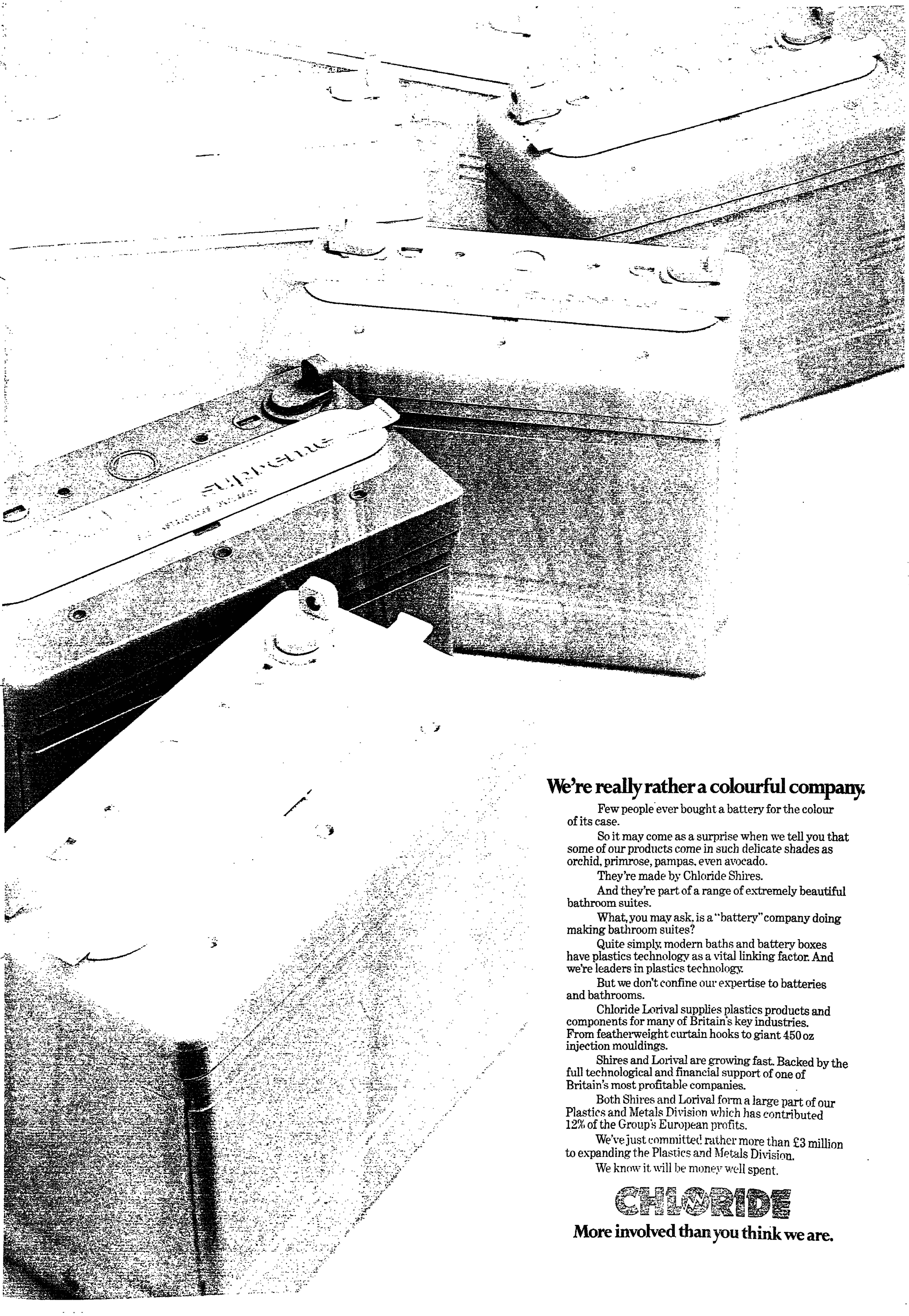
The system uses a single, 75 mm. diameter air tube for communication in either direction; simplified diverters near each station control the path of carriers and eliminate the need for multiple tube runs.

Operation of the Lamson 750 is fully automatic—the document carrier is dropped into a station, the code number of the destination dialled and a button is pushed.

Desk top duplicator

TOP-QUALITY COPIES on every run is the claim being made for a general purpose stencil duplicator, the Fordigraph, now being marketed by Ofrex, Ofrex House, Stephen Street, London, W1A 1EA. After installation, the duplicator needs as little attention as the office typewriter, says the company. Ingenious selective inking, oscillating ink rollers, generous image adjustment, plus automatic paper feed and copy counter are among the advantages listed.

Standing on a desk top, it reduces to little more than a cubic foot with paper trays folded. All weights of paper in sizes up to 11 inches by 15 inches are handled.



We're really rather a colourful company.

Few people ever bought a battery for the colour of its case.

So it may come as a surprise when we tell you that some of our products come in such delicate shades as orchid, primrose, pampas, even avocado.

They're made by Chloride Shires.

And they're part of a range of extremely beautiful bathroom suites.

What, you may ask, is a "battery" company doing making bathroom suites?

Quite simply, modern baths and battery boxes have plastics technology as a vital linking factor. And we're leaders in plastics technology.

But we don't confine our expertise to batteries and bathrooms.

Chloride Lorival supplies plastics products and components for many of Britain's key industries. From featherweight curtain hooks to giant 450 oz injection mouldings.

Shires and Lorival are growing fast. Backed by the full technological and financial support of one of Britain's most profitable companies.

Both Shires and Lorival form a large part of our Plastics and Metals Division which has contributed 12% of the Group's European profits.

We've just committed rather more than £3 million to expanding the Plastics and Metals Division.

We know it will be money well spent.

CHLORIDE

More involved than you think we are.

FINANCIAL TIMES REPORT

PORTS and TERMINALS

A notable facelift

This Report was written by RAY DAFTER

The British ports industry which, in spite of the big changes in freight transportation methods, still remains vital to the country's movement of trade, has undergone a notable facelift in recent years.

Changes in the docks physical structure, the new berths, quays and, in some cases, complete new harbours, have largely been dictated by the onset of new handling methods—the upsurge in roll-on traffic and containerisation, the growing use of pallets and the necessity to discharge and load massive bulk carriers and tankers at a faster rate.

Alongside these changes, and partly because of them, the ports have had to set about improving their financial and management abilities, shown to be lacking in the late 1960s. Having spent hundreds of millions of pounds on new and modernised facilities and forced increasingly into borrowing the ports were completely ill-equipped in terms of their charging structure to cope with the challenge.

Mersey collapse

The collapse of Mersey Docks and Harbour Board in 1970 illustrated how bad the situation had become. The Mersey—Britain's leading export terminal which was unable to meet its capital debt from revenue—received most of the publicity but there were other ports hovering very close to the same dilemma. Like Mersey, some of them were expecting the situation to be solved by nationalisation. After all, it was the Labour Government's plans for the State to take over the biggest ports which had contributed to the difficulties. Ports were forced to borrow on short terms at high interest rates which only added to the debt problems.

In the past three years Mersey and the whole of the ports industry have been directed by the Government and the National Ports Council to seek their own salvation. This they have done with a good measure of success. Thanks largely to a cost-cutting exercise (many loss-making, conventional cargo berths have been closed) and quite severe increases in charges the industry as a whole is well inside the profitable zone. Last year, in spite of the national dock strike, the major ports made an overall surplus, after interest of some £7m., some £3m. better than in 1971 and a £13m. improvement on the loss-making year of 1970.

Last year's profit still represents only a 5 per cent. return on capital, however. It seems generally accepted that the return should be double that rate if the ports are to consolidate their financial improvement and provide sufficient reserves for the continuing programme of modernisation, expansion and—in certain quarters—rationalisation.

It must be a unique situation in which such varied business organisations share a common financial objective. For the ports industry is a peculiar mixture of some 100 dock systems operated by an assortment of public and private interests.

For a start there are a small number of private companies, striving to reap profits from what must be regarded as a service industry. Mersey Docks and Harbour Board was recently reconstituted as a statutory company so that it would have a harder business edge and so that its investors who were bound to suffer greatly under the capital reconstruction, would have a bigger say in the undertaking's future.

Felixstowe Dock and Railway Company is another company which has a statutory duty to operate a port. With a £10m. expansion programme, largely self-financed, which is aimed at doubling throughput to more than 5m. tons annually by the end of next year, looks as though it is deliberately sailing into the nationalisation danger zone. The last Labour Government intended to take over all those ports with a throughput of at least 5m. tons.

The Labour Opposition has not spelled out in detail its plans for individual ports, but in general the nationalisation of docks is still on the list of intentions.

One of the hardest fighters against State take-over last time, was, not surprisingly, Manchester Ship Canal Company, which owns the port of Manchester and docks along the canal. Here is the first anomaly in the industry's management structure: Manchester Corporation has the majority membership of Manchester Ship Canal's Board—a legacy from the time the canal was being built and the local council providing financial help.

Clearer structure

The ports of Bristol and Preston have a much clearer administrative structure: they are both owned and managed by the local authorities.

If that is public ownership at a local level, then there is a good deal of public involvement at the national level. In fact, a large proportion of the industry is already nationalised although, here again, the system is anything but simple.

The British Transport Docks Board administers some 20 undertakings, including some of the country's most important ports like Southampton and the docks in South Wales and in the Humber estuary. British Rail has retained its own batch—Folkestone, Harwich and Holyhead, for instance—ports which were developed largely for passengers but with the growth of roll-on and containerised freight have become much more cargo orientated. The third tier of State ownership rests with the British Waterways Board which, with its docks at Gloucester, Sharpness and Ellesmere Port, has just been reprieved under the Government's plans for the reorganisation of water services.

As if this was not enough there is yet another group of ports which so they appear—are not responsible to or owned by anyone in particular, other than themselves. These are public trust undertakings usually financed by fixed interest borrowings, operated in accordance with individual Acts of Parliament, and directed by groups of co-opted Board members, most of whom are representatives of trade organisations, shipping interests or trade unions.

Such ports, and they include the country's top undertaking—London—have a good deal of latitude as to how they operate; indeed, with a weak management it could be a formula for disaster. It is probably no coincidence that Mersey was a trust port at the time of the collapse.

As a voluntary exercise, but encouraged by the Government through the Ports Council, trust ports are now reshaping their Boards, doing away with many of the representatives who are there solely because they are nominated by user organisations; reducing the size of the Boards; and working towards more full-time directors. The process is taking longer than the NPC would probably have wished—some organisations which may lose the right of representatives have appealed against the proposals—but much has already been accomplished.

Toothless watchdog

It is not completely true to say that trust ports are only responsible to themselves. The Government and the NPC have a good deal of influence in what happens through their control—both overt and subtle—over the ports' development plans and their requirements for State loans to finance projects. It was noticeable that when Mr. John Peyton, Minister for Transport Industries, announced a new system of "safety net" loans for authorities unable to replenish capital due to lack of market confidence (shaken by Mersey) he stipulated that no money would be available without the NPC being satisfied as to the applicant port's financial and managerial structure. The NPC has often been criticised as a toothless watchdog; under Mr. Peyton its gums at least have become more effective.

The determination of the Council not to change the fundamentals was demonstrated when it looked at the role of those ports and wharves outside the National Dock Labour Board scheme. These undertakings, although generally referred to as small ports, included some quite large concerns. Although there was a good deal of union pressure to bring these ports and wharves under the umbrella of the Board scheme—thus ensuring that all dock workers were registered—the Council decided that they should stay as they are, as a competitive edge to the industry, but with certain important provisos about pay and conditions.

It said something for the improvement in atmosphere among dockers in the larger ports that the report did not spark off violent protest. It had been expected in some quarters; a year earlier it would have seemed inevitable.

The report, however, was preceded by one of the major developments in port labour for many years. Dockers were becoming restive not only at the amount of work being won by the so-called small ports but at the way new handling methods such as containerisation and packaged timber were reducing the need for large gangs of dockers. There was a general feeling of insecurity, culminating in the dock strike.

As a result of the work of a joint employers-trade union committee, under Lord Aldington, chairman of the Port of London, and Mr. Jack Jones, general secretary of the Transport and General Workers' Union, the Government footed the bill for a massive voluntary severance scheme. More than 8,000 dockers took golden handshakes of up to £4,000, the total number of registered men being brought down to around 32,000 compared with 60,000 some six to eight years ago.

The industry has often been put into a bad light by the action of dockers; but management must accept a large slice of the blame for the sad state of industrial relations.

As part of the facelift the industry has also been trying to get to grips with the labour situation. It has been proved time and again that the shipowner is more interested in a good service than the odd pence on cargo rates. Good service and quick turnrounds rest on the shoulders of dockers, however. In the past two years port authorities have taken over or merged with stevedoring companies in an attempt to come nearer to the one port—one employer principle, regarded by many in the industry as the next major step after decasualisation of dock labour.

In the port of London, where this process has been taking place, port employers have recently been pressing the case for an established career structure for dockers, a scheme which would include more training and operated in association with the National Dock Labour Board. As Mr. John Lunch, director-general of the port, put it: "We want to see a structure in which competence and skills are recognised; a structure in which dockers can be integrated with staff — docker to director-general as one structure."

This must, inevitably be a long term strategy. In the shorter run there are still problems with which the existing management must grapple. For a start, there are indications that many of the new facilities—particularly the deep sea container berths—are not earning sufficient revenue. The National Ports Council feels that now container operators are beginning to make profits for themselves, it is the time when rates ought to be reviewed. With a good deal of over-capacity still in existence, the market may be too competitive for ports to put up container handling charges much, unless they act in concert. And cartels are seldom popular.

Prominent role

Secondly British ports [illegible] play a prominent role in establishing a common ports policy for the EEC. At present British ports, with little financial assistance from the State, are [illegible] heavily subsidised ports like Harve and Marseilles developing massive maritime industrial areas. It has been repeatedly claimed that foreign ports are attracting the multinational companies which might consider settling in Britain if facilities were available.

Mr. Alister McCrae, chairman of the British Ports Association and chairman of Clyde Port which is trying to initiate its own industrial development at Hunterston, feels that the common policy should be formulated quickly before countries like France have gained too great a lead. The fear also remains that without the right facilities Britain will become something of an off-shore island to the EEC, with the big ships calling at ports like Rotterdam and Le Havre and Britain being fed by smaller, feeder ships. So far it has not happened. British ports have kept pace with the shipping developments. And they have done it—at least in recent years—in a way which Mr. McCrae, along with the NPC and the industry as a whole wants to see accepted by the whole of the EEC, that is without subsidies.

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Ferrous scrap export controls tightened

BY DAVID WALKER

GOVERNMENT ACTION announced yesterday in a bid to bring the steel industry nearer to meeting the high levels of demand now being placed on it will subject U.K. ferrous scrap merchants to the tightest export controls they have faced since 1958.

From October 1, merchants, already allowed to sell only the very lowest grades of scrap abroad, and then just to Common Market countries, will come under a quota system based on their individual sales for the year to August 31. Any exports during September will be deducted from the total permitted under the quota allocation.

Each merchant wishing to trade overseas will have to obtain a specific export licence from the DTI. Initially, the licences will be issued for the three months to the end of the year—with shipments during each of the first two months not permitted to be more than one-third of the total licensed quantity unless an uneconomic cargo would result—but it looks as though the new tough controls will be extended into 1974 as well.

The move follows last month's call from the British Steel Corporation for a total export ban, as existed here before 1958, in the light of tightening controls by the U.S. and the European Coal and Steel Community.

BSC, though it gave the Government's decision a cautious welcome yesterday, has gained less than it asked for, and it seems possible that its pressure for a total clampdown will continue.

The British Scrap Federation, which has been fighting hard for export controls to be eased in line with the free trading rules within the European Coal and Steel Community, last night hit out at the Government decision as "a breach of faith."

"In our opinion," it declared, "it is a ploy to depress U.K. prices."

Two-year period

Under ECSC rules, trade in ferrous scrap—which accounts for about 50 per cent. of the raw materials used in steelmaking in this country—must be freely permitted between member countries. A two-year transitional period, ending on December 31, 1974, before Britain need comply was negotiated by the U.K. Government.

The scrap industry hope was that controls would be gradually eased during the two years, especially with European prices generally higher than in this country. The difference is now claimed to average £10 a tonne.

With Spain and China formerly the merchants' best markets, there were hopes, too, that some sales to third countries would be allowed.

In practice, the reverse has happened. Further curbs on exports came in February and again in May, so that the grades which can now go abroad account for only 8 to 10 per cent. of total scrap turnover.

Before May, exports were running at between 90,000 and 100,000 tonnes a month. In June, the figure was 46,969 tonnes and in July 56,677, bringing the total for the year so far to 528,117 tonnes.

Steel industry claims of widespread shortages, which have led to changes in the scrap-pig iron mix at some steelworks, have been denied by the British Scrap Federation, which has maintained that scarcities were occurring on a local basis only.

Yesterday, it pointed out that stocks had remained at much the same level throughout the year. They were now, it claimed, higher than in January and there were still instances of steelworks refusing to accept deliveries of lower grades.

The event which has triggered off the Government move was the U.S. decision to curb sales abroad, announced last month, now apparently being tightened further, as a result of pressure from the American steel industry.

With the U.S. a major supplier to Italy in particular, the market throughout Europe has been tightening. One result was an ECSC decision to ban sales of all but the lowest scrap grades to third countries during August and September. Because of the transitional arrangements, that move covers the U.K.

Maxwell move gives C. Tinling 'reprieve'

BY NICHOLAS OWEN

A CREDITORS' meeting yesterday agreed to a two-week "reprieve" for C. Tinling, the Liverpool book printing group, to allow negotiations on a possible take-over by Mr. Robert Maxwell, the former Pergamon Press chairman, to continue.

If a deal can be agreed, there would be about 150 redundancies among the near-600 employees. Mr. Maxwell and Mr Harold Wilson, the Opposition Leader, have become involved in efforts to save the company, bought earlier this year by the Scottish Gilmour and Dean concern.

Mr. Robin Stewart, a Manchester chartered accountant, told yesterday's meeting that in the June quarter, the Tinling business made a loss of some £80,000, and if kept going would continue to lose around £15,000 a week. Tinling's owner felt that to appoint a liquidator at this stage would not be in the interests of the company or creditors.

Mr. Maxwell warned the creditors that the workers, who had "been very badly let down," were ready to occupy the Prescot plant if a liquidator was appointed. He promised to do his best to purchase the company, but he did not wish to give the impression that it was "in the bag."

Given creditors' co-operation, Mr. Maxwell thought Tinling could be "modernised and be made profitable."

Mr. Maxwell has two weeks to negotiate a take-over, two other potential buyers having been rejected. "Unless this business is sold as a going concern," Mr. Maxwell declared, "the creditors stand little chance of getting anything."

Mr. Robert Maxwell

Tinling was losing money when Gilmour and Dean bought it from the Liverpool Daily Post and Echo.

Despite the book trade's present boom, the cycle of production has proved too long to overcome the basic problems at the Tinling plant.

When closure looked inevitable, Mr. Maxwell was approached at national level by the National Graphical Association, and it is largely through spokesmen for print unions at the plant that hopes for a rescue bid have grown into reality.

Mr. Maxwell said he was prepared during the next fortnight to make available all his information on Tinling to any other potential purchaser.

'Ease price curbs on chemicals'

By Ray Dafter

THE GOVERNMENT is coming under increasing pressure from the chemical and plastics industry to ease price restrictions when its Phase Three policy is introduced.

Both sectors want to see a more sympathetic attitude to the pricing structure in capital intensive industries. The plastics industry—through the British Plastics Federation—is expected to meet the Government to-morrow to outline the problems behind the current shortage of materials. The Chemical Industries Association is also preparing for its own talks.

It is being emphasised in both quarters that the talks are not likely to produce instant reaction by the Government. It is likely, however, that the Government will be told of the concern in both industries that investment and replacement plans are being frustrated by the price restraint.

According to a survey in Chemical Age International the chemical industry's prices have been frozen more effectively than in any other industry. In the period, from February to July, it says, chemical prices rose by only 0.9 per cent. while steel rose by 9.9 per cent., food by 9.5 per cent. and textiles 8.8 per cent.

The Society of Chemical Industry, through its journal Chemistry and Industry, has already warned that there is no sign of an early recovery in investment in the industry.

Narodny Bank says gold shortage likely

BY MARY CAMPBELL

GOLD IS likely to be in short supply on the free market during the second half of this year, according to Moscow Narodny Bank.

"There is little doubt," the bank says in its latest Quarterly Review, "that the market is essentially undersupplied despite near-full South African sales since April.

"In current circumstances it appears there will be little dis-investing or dishoarding, and possibly some fairly large-scale withholding by South Africa."

Sales trend

The bank bases its view of likely future trends in South African sales on that country's balance of payments surplus which has continued to rise during 1973—although gold production has been lower than it was last year, the falling volume has been more than compensated for by record price levels while the trade deficit excluding gold has also been reduced.

Moscow Narodny notes that while from the beginning of April to mid-July supplies of South African gold to the free market appeared to represent virtually the total of newly-mined production, towards the end of July South Africa increased the percentage it retained to about 10 per cent. of weekly production.

This analysis by Moscow Narodny—which does not, incidentally, mention the prospects for Soviet sales of gold, which have been a big factor in the market until now—runs contrary to the view of some other sources in London.

These think that so long as the gold price remains at present levels, pressure from mining companies on the South African authorities is likely to ensure a continuing large volume of sales.

Moscow Narodny's review also suggests that any significant official sales of gold by central banks on the free market would be likely only if the price began to make a new spectacular rise.

"Nevertheless," it says, "small volume gold sales as a complement to currency swaps could be made quite soon to test their psychological effect and, more important, to give some respite to the troubled dollar."

High reserves

The bank thinks that the weight of any such intervention would fall on the U.S., "although the Belgo-Luxembourg Economic Union, France, West Germany, Italy, the Netherlands and Switzerland are also in a position to participate owing to their high levels of gold reserves.

"Substantial gold sales by the U.S., however, would quite possibly create domestic political problems as Congress becomes alarmed, as in 1967-68 about the run down of the gold stock, regardless of the beneficial net reduction in externally-held dollars."

Little sign of Monday Club split healing

BY JOHN BOURNE, LOBBY EDITOR

LEADERS OF the Right-wing Monday Club are trying to heal the severe split in their organisation, but with little signs of success.

Mr. Michael Woolrych, the club's director, has written to the 50 "rebels" who demanded last week's special general meeting which called for the resignation of the chairman, Mr. Jonathan Guinness.

Meeting

The letter, asking the rebels to meet the club's executive which would "hear your case," says:

"If, in the light of the damage that would have been caused to the club if the motion passed at the special meeting on August 20 had been implemented, you now withdraw in writing your support for that motion, the review of your membership will be treated sympathetically.

"The Executive Council reserves the right to make public such withdrawals of support."

One of the rebels, Mr Richard Devonald-Lewis, said yesterday: "Exhaustive efforts have been made to negotiate a settlement of the differences.

"Unfortunately, while no blame can attach to any particular person, this has failed totally. So a second broadside at waterline level can now be expected.

"I regret that Mr. Guinness, whom I no longer recognise as chairman, cannot put the best interests of the club foremost."

A struggle could begin in the courts shortly over the status of various recent meetings and decisions of the club, including last week's vote by 236 members to 54 calling on Mr. Guinness to step down.

The motion also wanted a caretaker chairman and suspension of all club activities until a new general meeting had been held, at which officers and an executive council would be elected. There has already been dispute over the legality of this motion.

Mr Woolrych and Mr. Guinness are both on holiday.

Lion ex-directors paid £43,000 compensation

BY NICHOLAS LESLIE

THREE DIRECTORS of Lion International, the films and advertising group, shared a total of £43,000 of compensation for loss of office.

One of them is Mr. Jeremy Arnold, who resigned as managing director in May, 1972, when Lion was owned by Barclay Securities, but who has since resumed that position following Barclay's takeover by J. H. Vavasseur.

The payments were disclosed in the latest report and accounts of Lion for the year ended March 31, 1973. It is understood that Mr. Arnold received only a nominal sum, with the greater part — between £15,000 and £20,000 each — going to Mr. Beverley Ripley, who took over from Mr. Arnold as managing director, and Mr. David Harrison, the former media director.

All three became directors of Lion when Mr. John Bentley was the chairman of Barclay Securities.

● Another takeover situation which has resulted in compensation payments is Melbray Group, the foods and engineering concern. The company's report and accounts for the year to March, 1973, show that a total of nearly £30,000 was paid to four directors for termination of service agreements.

They included the former chairman, Mr R. A. G. Edwards (£12,000), Mrs A. H. K. Edwards (£6,000), Sir Charles Hardie (£2,000), and Mr. R. P. Botwood (£9,500).

Melbray was taken over by Tremletts, the engineering group, early in 1972, but only after considerable early resistance from the Melbray Board. Two offers by Tremletts were rejected, but a third set of terms were recommended by the directors.

Fixed price guarantee for Inghams ski tours

BY ARTHUR SANDLES

INGHAMS, one of the biggest winter sports tour operators in Britain, is to guarantee the price of a large proportion of its programme—thus removing the threat of surcharges. Skiers who book before the end of September and pay their bills in full before mid-October will get the guarantee.

The deal applies to many Austrian hotels and all holidays in French and Italian resorts. Inghams says the cost of holidays in Austria has risen by 12 per cent. since the brochure was printed — an average £9 surcharge. People who pay early will not even face this impost.

Inghams, part of the Swiss-based Hotelplan organisation, is taking the guarantee after buying £400,000 in Germany in order to avoid currency fluctuations. Added to that is a scheme whereby the company and several Austrian hotels have agreed to share the burden of further drops in the value of the pound.

Marketing challenge

Yesterday Mr. John von Spreckelsen, general manager, said: "We are trying to bring back some sanity and certainty into the holiday market by guaranteeing published prices, which has not been possible while currencies went up and down like yo-yos."

The currency move presents a considerable marketing challenge to Inghams' rivals—mainly Ski Plan, Swans, Clarksons, Thomson, Horizon and Erna Low. Mr von Spreckelsen argues that he hopes other operators will follow suit—"Because we know that the public is fed up with last-minute surcharges."

Thorn £50m. target for 'TV' and 'hi-fi'

By Arthur Sandles

THORN CONSUMER Electronics has confirmed its plans for a major push into the European television and "hi-fi" market with a sales target of £50m. within the next three or four years.

"The opportunities immediately ahead in foreign markets are gigantic," said Mr. Richard Norman, managing director of TCE. "We have taken the steps necessary to grasp them—we are at a moment of exciting change and enlargement."

Talking of Japanese competition, Mr Norman said: "The Japanese, as such, are now high-cost producers. We do not fear the Japanese. Technologically we are ahead of them, in price and sophisticated gadgetry, where Britain once lagged behind. We have nothing to fear from any foreign competition."

PORTS AND TERMINALS III

Management techniques

In the past three years, British port authorities have been engaged in a self-help exercise aimed at improving their management and financial performance. The Mersey Docks collapse sent a ripple of concern throughout the industry; although it was a particular problem—one which has still not been settled—it served as a reminder to those inside and out of the industry of the financial fragility of many of Britain's ports.

The degree of lost confidence in the financial market only served to aggravate the situation and dictated urgent remedies. The Government, in refusing to bail out the Mersey, made it clear to dock managers that it was up to them to seek their own salvation.

The only financial help provided by the State has been in the form of loans to authorities which, through no fault of their own, found it difficult to replenish capital in the market because of the general lack of confidence in the industry.

Strict scrutiny

So far less than £10m. worth of these "safety net" loans have been allocated to the ports of Clyde, Forth and Tyne, and then only after strict scrutiny of the authorities' financial and management structures by the National Ports Concil. Mersey Docks have not sought such help; it is doubtful whether it would have satisfied the Council as to its financial set-up anyway.

Mersey Docks, faced with a capital debt of £100m. which it could never hope to meet out of revenue, has proposed, as remedial action that capital should be written down by a swingeing 70 per cent. but partially "sweetened" by the issue of about £20m. nominal worth of redeemable Preference share capital.

Stock holders, not unnaturally, have told the Board this is unacceptable. Small investors, many of them pensioners, who account for a large proportion of stockholders complained at a noisy meeting in Liverpool that they had been duped into considering their savings safe with Mersey, seemingly supported as they were by so much Government involvement. Indeed, they pointed out, the Government was even represented on the Board through Ministry of Transport appointees.

The Mersey Board maintains that the scheme is the best available, under the terms of a Parliamentary Act setting out the terms for Mersey's salvation. If the Government was not prepared to inject financial help there was no alternative but to recommend a massive capital write-down. The issue is now being taken to the High Court which should settle the issue once and for all.

Mersey Docks has strengthened its management through the appointment of three senior executives. (It must be the first time that a port has gone into the market place for such a high powered team at one go.) It has revamped its constitution, turning itself from a public trust authority to a statutory company, and has called in teams of consultants to advise on different aspects of its operations.

Otherwise the Liverpool port, still ranked as second in the league of importance and the premier exporting terminal, is following the general pattern of managerial improvement being adopted by the industry as a whole.

Labour relations

For a start ports have become more aggressive in marketing terms; there had been a tendency for them to sit back and wait for trade to come to them as if by right. This aggressiveness has shown itself in the occasional "dog bites dog" situation where authorities eager to press the merits of their own case have lapsed into criticism of schemes elsewhere. The claims and counter-claims between Southampton and London over who should have the next round of large scale container development, is a case in point.

Labour relations, a sore point in the industry for so long, is improving it seems, at least judging by the comparative peace this year. Whether this is a much-needed long-term respite from stoppages, only time will tell. Two things have happened which must eventually lead to a better working climate, however.

First the Aldington-Jones scheme, leading to a large-scale shake out of labour through voluntary severance, has given greater security of employment to those registered dock workers who have remained. The total number of dockers has been reduced to around 32,000 compared with 60,000 six to eight years ago; a reduction which highlights the influence of technological innovation in cargo handling methods.

Secondly, port authorities are stepping up their bid to bring much more of the dock labour force under their own control rather than spread through a number of cargo handling interests engaged in the docks.

And yet the greatest strides have been taken in relation to the financial performance of the industry, shown to be in a laughable state in the 1970s. This has been achieved by the closure and, in some cases, disposal of loss-making berths and quays, a cut back in other operating costs and some bold increases in rates to a level which Mr. John Peyton, Minister of Transport, would describe as "realistic."

Between 1970 and 1972 port charges were increased on average by some 20 to 25 per cent. As most of the increases have been selective, some rates, particularly those relating to labour-hungry . . . conventional cargo handling, have probably doubled. To those advocating a profitable industry, these increases indicate just how unrealistically low the port charges were in the past.

These various measures have meant that the major ports have improved their overall performance by some £13m. since the disastrous, loss-making year of 1970. Last year, in spite of the national dock strike, these major undertakings made an overall surplus of some £7m., £3m. better than in 1971.

The return on capital is still only about 5 per cent., a long way short of the 10 per cent. target which seems to have been accepted by most authorities and which is being actively canvassed by the National Ports Council.

One of the reasons for the ports' financial problems in the late 1960s and 1970 was the vast amount of work being undertaken to cater for the new methods of shipping and the larger vessels. Since 1967, for example, ports have been spending about £45m. a year on large-scale capital projects. Many of these schemes came at a time when rates were too low and when ports were forced to borrow money on short terms at high interest rates because all the big authorities were expecting to be nationalised under the Labour Government.

New projects

Ports have far from exhausted their development programmes, however. Liverpool's £50m. Seaforth Dock is coming on stream; Bristol's £15m. West Dock is under construction and London has outline permission for its Maplin seaport which could cost £55m. Most ports have anticipated one sort or another.

The Government wants to see new projects having a chance of producing at least an 11 per cent. return before *they* are given the go ahead. Long term contracts between the ports and users (shipping lines or oil companies, for instance) are encouraged. Clearly the early container terminals have not matched up to these financial ideals. Container lines could not afford to pay the true economic rates in their own early years of unprofitable operation and with so much over-capacity they held the whip hand in being able to shop around. But the container capacity is being filled; operators are now beginning to see profits and port authorities are being encouraged by the National Ports Council to ask for more.

Nevertheless, while striving for bigger and better profits the *ports must also be taking* into account the national interest their public service role. Are the two reconciliable?

Mr. John Lunch, chairman of the Port of London Authority seems to speak for most of the industry when he says: "While business to-day must be conscious of people, employees and those outside and the environment in the widest sense, it must also be efficient. One must make profits; this is the test of economic efficiency and efficiency is for the good of the nation."

The PLA, while also seeking a 10 per cent. return as yet has not quite achieved five. "We must bide our time. We are *still in a time of great change* when new projects, costing a good deal of money, tend to hold down the return in their early years of operation. It seems we are constantly going through patches when new developments are being introduced. This is one of the worrying problems of the rapidity of technological change."

The cargo situation

While ports and terminals play a vital role in distribution they also act in many ways as servants of the wider industry.

This has become apparent in the past 10 years or so when the British port scene has undergone quite radical changes to keep pace with developments in transportation. In many of these technological concepts, particularly containerisation and roll-on freight, the British shipping industry has been at the forefront of innovation. Consequently the country's docks have been among the pioneers of waterfront handling techniques.

In the past five years port authorities have been spending, on average, some £45m. a year on major capital projects. Initially the Government provided investment grants to give an extra boost at a time when the demands of shipping companies could well have outstripped supply. The ports kept pace and in the past couple of years this fiscal incentive has not been considered necessary.

And yet there is no let up in development. On current trends the level of spending looks like continuing for some time. The latest new enclosed harbour at Liverpool, costing £50m., has just been named Royal Seaforth Dock. The port of Bristol is building the £15m. West Dock—it could be the last port scheme built with an entrance lock in Britain; locks are not only expensive, they are also restrictive both in terms of operational time and in size.

And still the plans come forward. The £50m. to £55m. Maplin Seaport, incorporating both an oil terminal and container/roll-on, roll-off facilities, has recieved outline Government approval. Southampton, now reckoned to be Britain's *third cargo port after London* and Liverpool, also has ambitious plans to develop its container and roll-on facilities.

Indeed, it has been the demands of shipping companies and transport industries moving to unitised forms of cargo (containers, ro-ro- palletised freight and packaged timber) that have been such a great influence on the British ports industry in recent years.

The tonnage on goods carried to and from the Continent on roll-on ferry services has been growing at the rate of about 30 per cent. a year since 1966. The services operate from 17 ports on the east, south and west coast and *it is quite possible* that the magical figure of 1m. loaded and empty units—mainly lorries and trailers—using ro-ro services annually could be reached this year. Indeed, the proliferation of roll-on berths has caused the National Ports Council to question whether the lower limit for Government approval of capital projects—at present £1m.—should not come down.

Free competition

The Council points out that the move towards ro-ro facilities to cater for short sea transport has materially altered the general cargo handling picture *in British* ports. And yet most ro-ro berths, costing well below the £1m. reference figure, are built without formal approval of the Government. It is up to the state, through the NPC, to ensure that free competition is maintained within the bounds of national interest. Gross over-capacity could lead to rate-cutting and undermine the industry's financial recovery.

The U.K. Chamber of Shipping reports that there are now something like 130 regular services linking Britain with the rest of Europe. In what could be construed as the shipping industry's argument against the proposed Channel Tunnel, Mr. J. MacNaughton Sidey, chief executive of P & O's European and Air Transport Division, comments: "Shipping is very flexible. It provides services to Europe from many different parts of the country and this matters a great deal, more especially with through transport and the fast-increasing leisure market."

Mr. Stanley Turner, managing director of Felixstowe's dock undertaking, feels that a growing number of these short sea journeys could be given over to small, feeder container ships.

Felixstowe had the foresight to be in at the beginning of the recent container age. Like containerisation, the port is still expanding. It is still limited as to the size of vessel it can handle, however.

An attempt was made to build a big container port at Falmouth where large container "mother" ships could disgorge boxes into feeder ships and on to railway wagons. The scheme was rejected by the Government as premature.

Nevertheless both London and Southampton are competing tooth and nail for the right to handle the biggest container-ships. The port of London realises that its Tilbury terminal is fast becoming out of date; it is already too small to handle the biggest of the Far East containerships which call at Southampton. *London wants to stay* in the big container league through Maplin; Southampton counters it still has plenty of room to cater for growth without the need for an entirely new port in the Thames estuary. In the past it would have been very rare for one port authority to verbally attack another in public. The fact that Southampton and London have been enjoined in public commercial battle illustrates the competitive nature of containerisation.

It is this competitiveness which, in some ways, is undermining the financial return on new container berths which, at current prices, cost more than *£5m.* apiece. There are about 15 top-class container berths in Britain, each capable of handling 1m. tons annually if run at something like maximum efficiency. The fact that these deep-sea terminals appear to have handled less than 6m. tons last year is indicative of the extent of over-capacity. While it is essential for the industry to have some capacity in reserve to cater for growth, seasonal fluctuations and stoppages—for whatever reason—it does seem that British ports were anxious to build too much too quickly so as not to be left out of the container era altogether.

While services like the Australian container trade and the Far East trade have become established on their own individual ports, some of the others have tended to shop around, seeking the most efficient port (efficiency being of paramount importance) but also able to negotiate rates which must be in the user's favour rather than the port. The Clyde has recently won services from the Mersey. On the current level of container berth charging there can be few quays making a reasonable profit at present, however. It certainly seems ironic that Tilbury, already regarded as becoming out of date, has contributed so little, if any profits to the Port of London.

Ports like London and Southampton have, on account of their strategic positions, tended to concentrate on major trades using unitised cargo. Other ports, some of which are on less favoured trading routes, have also become more specialist and selective in the type of freight they handle. Once ports were there merely to serve their immediate hinterland. Improved inland communications — and thankfully road links are at last being improved—has meant that each port serves the nation.

Oil exploration

It is not only ports in England and Wales which are seeing changes, however. Scottish ports are busily providing new berths and modernising old facilities to cater for a new and much needed trade—supplies and equipment for the oil exploration activities.

A recent report suggested that by 1976 there would be 59 berths needed for oil rig servicing in Scotland compared with just 12 last year. Of the total, 39 would be at mainland ports, 19 in the Shetlands, and one at Stromness. Aberdeen has already established itself as the centre of Scotland's rig servicing industry.

With drilling now started in the Celtic Sea ports in South West Wales—particularly Milford Haven — as well, some in South West England are looking hopefully for their own oil bonanza on the lines of that forecast for Scotland.

They might be mindful of the *warning given to the Standing* Conference on North Sea Oil in April this year. Port authorities were urged, by NPC executives, to plan with caution because the volume of traffic generated by drilling operations had been found to be lower than expected.

Once again it is a case of a degree of over-capacity being healthy; too much putting all the operators in a difficult situation. This is why the Government has been anxious to retain the right of veto in all major cases of major port development.

PORTS AND TERMINALS II

Moves towards deep water terminals

In the past couple of years coach loads of British businessmen and journalists have been shown around some of the latest sights of France—the country's maritime industrial developments like the one at Fos (Marseilles) and Le Havre.

The autonomous port authorities which are charged with the responsibility of developing the area around their docks and deep water terminals, have been getting on with the job with gusto, at a frightening speed to some British eyes. Helped by hefty Government subsidies they have been doing the physical work; reclaiming land, dredging out deep water berths, and providing the necessary infrastructure. The job of wooing industrialists and commercial interests seems to have taken almost a secondary place. The attitude appears to be almost build it first then sell it. Britain, without the aid of subsidies, adopts the more conservative, cautious approach of find a customer first then provide the facilities.

Bigger ships

Time will tell which is the more astute approach. France could burn its fingers, ending up with massive over capacity. On the other hand it could challenge some of the major ports of Belgium, Germany and Holland, by attracting the necessary primary industries on which whole commercial centres are built. Primary industries are invariably dependent on raw materials: oil or petroleum products, ore, gas and coal. All these products are now being carried increasingly in bigger and bigger ships; vessels (save liquefied gas carriers) which need deep water access.

Such deep water harbours, or sheltered coves, are limited, particularly if they have to be approached safely along the English Channel. That is why France is getting in on the act quickly.

During a recent visit to Le Havre, I heard a port director there expressed incredulity that the British Government was not exploiting the proposed Maplin development more fully. The Port of London has a prime deep water site for a major port and industrial complex, he said. Why doesn't it exploit it; certainly they would in France.

As it happens, London is planning a major new seaport at Maplin, it conjunction with the airport, although the Government has ruled that there is to be no big industrial development.

There are other sites in Britain which could also be exploited, in the Humber estuary, for example, in the Clyde or the lower reaches of the Severn.

What concerns some port directors is that France will carry out its very costly programme, thereby pre-empting some of the development which might have gone elsewhere in the EEC, then fall in line with the growing wish among Common Market ports that subsidies should end.

Twenty years ago a 30,000 ton tanker would have been labelled a "super tanker;" ten years ago "very large crude carriers," the so-called VLCC of 150,000 tons, were entering service. To-day modern tankers are nudging the 500,000 tons size. Shipping interests are talking about 700,000 tonners being the next step up the size ladder which looks like inevitably reaching the 1m. tons mark.

So it is with bulk carriers. Up until about ten years ago bulk goods were shipped in tramp vessels of 18,000 to 22,000 tons deadweight. Now there are a fair number of bulk carriers of 100,000 tons and over; the biggest under the British flag being 167,000 dwt. tons.

With a 250,000 ton tanker having, on average, a draught of 65 feet and a 500,000 ton vessel drawing around 85 feet the need for deep water berths and entrance channels becomes obvious.

Recognising this need, the National Ports Council has long been advocating the principle of Maritime Industrial Development Areas (MIDAS), a concept of developing deep water estuaries on a unified basis. So far it seems to have received little support from Governments although one seems to be appearing in South Wales, almost of its own volition.

Mr. Alister McCrae, chairman of the Clyde Port Authority who, for the past year, has also been chairman of the revamped and renamed British Ports Association, is naturally keen on seeing Hunterston being developed as a maritime industrial area.

Harbour loans

With one eye on what is being done with state help in France, Mr. McCrae and his authority have been investigating ways in which their development could receive financial help. Special Goverment-backed loans, an extension of the harbour loans already available but with special provision for repayment to be postponed until the project is earning money or some form of EEC regional help are among the options being considered.

The money would be needed to support the reclamation of 1,000 acres of land at Hunterston, in association with the Hunterston Development Company. Things are already moving in the area: the British Steel Corporation has agreed to collaborate with the port authority in the building of a £26m. ore terminal. BSC might also build pre-reduction and palletising plants in the area. In the long run the Corporation wants to keep an option on a large area of land for a much more ambitious plant in the future.

Port Talbot Harbour, developed by the British Transport Docks Board in conjunction with the British Steel Corporation at a cost of £20m., was the country's first port installation capable of dealing with dry cargo ships of 100,000 tons dwt. It was developed primarily as an ore terminal to serve the Corporation's Port Talbot works but, here again, there is ample land around the 400-acre water area for industrial development.

As already mentioned Maplin will not have new industries. The £50m. seaport, proposed by the Port of London and already given outline approval by the Government, is designed to serve existing and proposed refineries in the Thames estuary as well as using the deep-water access to provide facilities for the next generation of container ships.

London, aware of the continuing growth of tankers, has decided to skip the planned Phase I scheme which would have provided sufficient depth of water, for 250,000 tonners and to go straight for supertankers of 430,000-ton ships with a maximum draught of 73 feet. Although the deepening of the entrance channel could add a further £5m. to £7m. to the final port development costs, the PLA is mindful it should be able to sell the dredged spoil for airport and seaport reclamation.

Separate systems

The move to deep-water facilities further downstream has tended to compartmentalise many of the port authorities into separate dock systems. The Port of Bristol, for example, already has three separate "ports"—the City Docks (due to close by 1980), Avonmouth docks and Portishead. Now it is building a new West Dock terminal, primarily, for bulk goods, at Portbury. Similarly London comprises separate up-river dock systems and the newer Tilbury port, downstream. Maplin will add a further extension.

Such moves can create both labour and management problems. Dockers are not over-keen to move from their familiar port surroundings to new systems; stability of labour is the answer here. On the management side the Port of London like some others, has created separate port units, each largely autonomous, each with its own profitability target. On this basis the number of British ports can be said to be increasing

Passenger fleets

Last year about 12.5m. international passengers arrived or departed by sea through British ports, two-thirds of them crossing the English Channel. In 1972 there were 7.2m. movements, 5.3m. of them travelling to and from the Continent and the Mediterranean.

The growth in ferry movements and traffic on the short channel routes has been increasing by between 10 and 15 per cent. annually in recent years—illustrates the importance of British ports for the movement of people as well as freight. At times ferries on some channel routes run to a frequency more appropriate to rail commuters or country bus travellers. Dover, reckoned to be the busiest passenger port in the world, is providing a new berth which will increase the number of car ferry sailings to no less than 59 a day at the height of the season.

There are three basic dock undertakings handling passengers: British Rail with its traditional packet ports, British Transport Docks Board and, standing on its own, Dover Harbour Board.

In addition there are other authorities, like the Tees and Weymouth providing facilities for ferries on the Scandinavian and Channel Islands services respectively. There is speculation that Weymouth, which has just introduced a roll-on berth, will soon be catering for Sealink ferries serving the Continent.

Ferry service

Between them the passenger ports have spent something like £15m. on terminal facilities in the past five years. Hull is undertaking a £2.5m. ro-ro scheme: Plymouth opened a small terminal this year for an interesting ferry service to Roscoff in Brittany. Among British Rail's schemes the £1m. passenger terminal at Folkestone has been in operation since last August (1972) while the terminal at Parkeston Quay, Harwich, costing £750,000 is being improved at a further cost of £250,000.

Southampton, once a tourist attraction in its own right in the days when majestic trans-Atlantic liners were frequent visitors, is now putting more emphasis on roll-on roll-off ferry traffic. Around £3m. has been spent on short-sea passenger facilities in recent years and more could follow if further plans materialise.

But it is Dover which seems to act as a magnet for the hundreds of thousands of tourists wanting to cross the Channel as cheaply as possible. The fares for these short routes are acknowledged to be among the most expensive in the world: whether they are fair is something being investigated by the Monopolies Commission.

The ferry operators claim in their defence that they have to contend with a highly seasonal traffic. European Ferries, for instance, reckons that a quarter of its cross-channel traffic is carried on just 17 days of the year. The bulk of channel tourists travel in the peak summer months.

The problem not only arises for ferry operators, it is the same for terminals—Dover, Folkestone, Newhaven and the like. Dover is now spending £2.5m. on the phase two extension of its Eastern Docks: it is a fact of life that for a large part of the year the development will be under utilised.

The trend towards second holidays is helping to swell traffic in the shoulder periods between peak and off-peak months. The provision for roll-on freight lorries on these short sea ferries is helping to spread revenue over the whole of the year.

The provision of facilities for this mix of freight, passengers and holiday cars at Dover is all the more remarkable considering the port's lack of space. Nestling at the foot of the White Cliffs, the Harbour Board has had no alternative but to start reclaiming land from the sea.

Last year the port handled a record 5.5m. passengers. The number of lorries was 156,474, representing a 43.4 per cent. rise over the 1971 figure. The prospects are that the figures will continue to rise, continue, that is, until a major competitor arrives on the doorstep.

Dover, like the other channel ports in the South East, are putting on a brave face at the prospect of a Channel Tunnel. Encouraged by optimistic noises from ferry operators, they continue to plan for future development. Dover, for instance, is said to be discussing with European Ferries the provision of a new "super" berth catering for multi-deck ferries capable of carrying 800 cars.

Consultants Coopers and Lybrand Associates, in their report on the Channel Tunnel transport cost, benefit study say that the cost of the tunnel would be offset by a saving to Britain of some £93m. in the capital costs of ships, port facilities and road infrastructure by 1980 and a further saving of £171m. between 1980 and 1990.

Not surprisingly they forecast that the ferry routes most seriously affected would be from Dover and Folkestone to the French and Belgian coasts. The tunnel was expected to attract about 11.6m. passengers away from the sea ferries and 4.2m. passengers from airlines.

Without a tunnel there would be a need for specially designed terminal facilities enabling ships carrying up to 800 cars to be loaded and unloaded in 30 minutes, they say. It is interesting to note that this is just the sort of scheme envisaged by European Ferries and Dover Harbour Board. The consultants' report puts the cost of such a terminal at Dover at about £12m.

Tunnel decision

The forecast of fleet requirement must also make disappointing reading to port and shipping interests. Coopers and Lybrand reckon that in 1980 46 multi-purpose vessels would be needed on short routes without the tunnel; if the tunnel was built the requirement would be only eight. In 1990 the gap would be even wider: nine ships with the tunnel as against 64 without.

A decision on the tunnel is not expected until November; and then—assuming the Government and Parliament is in favour—it would only be for the initial stage of construction. There would still be another break-off point in 1975.

In the meantime we are likely to see ferry operators step up their canvassing campaign, to emphasise some of the attractions of ship travel over movement by rail-orientated tunnel. Tourists, they say, will prefer to spend 90 minutes or so relaxing on a ship taking the air on deck or having a drink in the bar, rather than sitting in a train or in their cars as they are swept through a tunnel. It may be on that evocative basis, rather than the strict cost-time equation, that the future of ferries and the allied terminals will be assured.

Rhodesia's race wage gap: a problem of more jobs or more pay

BY TONY HAWKINS, Salisbury Correspondent

FEARS THAT THE black-white "wage gap" controversy which had such *repercussions in South* Africa early this year would spread across the Limpopo to Rhodesia, have not been realised. This does not mean that the problem does not exist. It most certainly does, and visiting South African businessmen are not slow to make the point that the ratio of 10.7:1 between European and black average earnings in Rhodesia is worse than the ratio in their own country. But Rhodesian labour relations, with much better employer-worker lines of communication, have helped to prevent a repetition of the kind of industrial unrest experienced in the South.

But this is only part of the story. Two other factors are significant. First, several *Rhodesian businessmen—especially* those with parent-company links in South Africa or abroad—have taken steps to raise the wages of their lowest paid employees. Second, the state of the labour market is a major deterrent to industrial action on the part of Rhodesian Africans. Recently, 130 black workers downed tools in a Salisbury cigarette factory. As word got round (wrongly as it turned out) that all 150 had been laid off, 2,000 Africans queued up at the gates seeking jobs. This reservoir of active job-seekers is a constant reminder to those who contemplate industrial confrontation.

Recent experience at the University of Rhodesia underlines this point. Black students demonstrated against what they considered to be sub-poverty datum line wages paid to African labourers, messengers and domestic staff at the University. However, the workers had no stomach for the confrontation with the University Administration, and refused to join the students.

Domestics

But any effort to analyse the Rhodesian labour situation in terms of black and white earnings alone is dangerously misleading. First of all, there are two wage gaps rather than one in Rhodesia. First, there is the gap between average African earnings on farms and those in other sectors of the economy, such as commerce and industry. Private domestics and the mining industry represent intermediate areas. Thus, the average wage paid to Africans in agriculture *(and this includes earnings in kind)* was Rh$135 per annum in 1972—just under £2 sterling a week. The Government argues that this figure is distorted by the fact that there *are substantial numbers* of contract workers involved — employed for only parts of the year — which reduces the average figure.

This compares with an average wage in manufacturing of Rh$527 per annum, Rh$561 in construction and more than Rh$750 in education, transport and finance. Overall, the average black wage is only Rh$337 a year, but this too is somewhat distorted by the fact that 40 per cent. of the 850,000 blacks employed in Rhodesia are in agriculture.

Apart from farming, the only sub-average wage is that paid to private domestics (Rh$286 per annum), while the mining industry pays an average of Rh$358 a year. It is arguable that the position of the mining industry is not fairly represented by such a figure, because of the high quality of additional services, mainly education, health and recreation.

There is therefore a very serious wage gap between the black farming sector and the black urban workers. *It is that* that has given rise to periodic shortages of black labour to pick cotton, and in the first few months of 1973—*for the first time in nearly a decade—there* appears to have been a net inflow of African migrant workers from neighbouring territories.

This wage gap has very important implications for Government policy. It accentuates the urban drift in population, creating a reservoir of urban unemployed, and also represents a potential security threat. Above all, so long as Africans from neighbouring territories are being used to supply extra labour in agriculture, the problem of creating the 35,000 to 40,000 jobs necessary each year to keep pace with the Rhodesian African population explosion is also accentuated.

Mining, riding on a world commodity boom, had more scope to raise wages than, say, agriculture

The higher prices Rhodesian farmers are currently being paid for cattle, cotton, maize and soyabeans (admittedly after a very poor drought-stricken year) combined with the re-expansion of the tobacco sector now getting on top of sanctions, suggests that there will be scope for paying higher wages in agriculture. But this still *leaves two problems to over*come. The first is the apparent reluctance of Rhodesian Africans to take farm jobs if there are any viable alternatives.

The second is the psychology *of some employers. Because* farm labour and domestics are frequently given rations plus a cash wage, it is often claimed that the latter represents "pocket-money" for which the worker should be duly grateful. This approach was used by the Rhodesian Minister of Labour, Mr. Ian Mclean, in a discussion of private domestic wages. Said the Minister, ". . . in most cases the actual cash wage they (domestics) get is unencumbered, and in the nature of pocket money."

With this "pocket-money" concept of a fair wage, it is small wonder that the black worker prefers industrial or commercial employment to agriculture or domestic service, regardless of such considerations as status and type of work.

Secondly, there is the black/white wage gap. In absolute terms, it has widened radically from just over Rh$2,000 per employee 15 years ago, to nearly Rh$3,300 to-day. In relative terms, however, it has narrowed from 12.9 to one in 1958 to 10.7 to one to-day.

Almost everyone, including Government, accepts that it is too large and needs to be reduced. There is, however, evidence of a difference in timing in that some businessmen, the churches and some moderate politicians believe the problems needs to be tackled urgently before the kind of *unrest experienced in South* Africa develops. The Government's attitude is that it can only be tackled gradually by way of higher productivity.

One further major difference between the Rhodesian and South African situations is that Rhodesia has lagged far behind in the field of poverty datum line assessment. This is not surprising, given the paucity of this kind of social research within a small country and also given the very moderate rates of inflation that Rhodesia has experienced in the last 15 years.

Work is about to start at the University of Rhodesia on a new urban PDL, but in the meantime employers can only rely on the updated 1957 report. This 1957 PDL (known as the Bettison PDL after its author) estimated that an urban African family with three children needed an income of Rh$34 *monthly. The 1973 equivalent of* this figure is roughly $48 monthly, after making allowance for inflation. It is still a very theoretical assessment, partly because black consumption standards have changed and partly because Dr. Bettison's PDL is noteworthy for its exclusion of rents, education and medical expenses. If these are included and some adjustment is made for changed consumption patterns, the effective PDL to-day can be put at around the Rh$54 *per month level*.

Figures for the distribution of cash wages paid to Africans in Rhodesia in 1972 show that more than half the Africans employed were earning a cash wage of less than $20 a month. Payment *in kind is substantial in* agriculture and mining (an extra third is added to the cash wage) and private domestics (add 50 per cent.). But such additions would still bring all of the lower paid groupings well below the PDL.

Less than one-eighth of the employed labour force could be considered to be comfortably above it. If PDL means what it says, how can people exist below it? There are a number of possibilities. First, the Bettison PDL may well have been misleading and in its updated form may well be distorted by changed consumer patterns. This is why another and better-grounded PDL is needed. Second, not every *worker has a family of four* to support. In many cases the wife works. Perhaps more important, there is a substantial "informal sector"—patterns of irregular earnings from various kinds of self employment.

Above all, there is a very real possibility that the modern sector's wage level is being subsidised by the tribal trust lands. Industrial and commercial employees do not fully support their families who live in the tribal areas, providing much of their own requirements through subsistence agriculture.

Employment

Whatever the explanation, the actual figures give no ground for complacency. That several of the larger industrial groups have started to increase their wages to lower-paid blacks is evidence of their reading of the position. That said, the Government has an impressive record of employment generation. In the past five years new jobs for Africans have been created at the rate of nearly *40,000 per year*.

Employment creation has a clear priority over increased wage levels and there are many *businessmen and administrators, of liberal persuasion*, who will argue heatedly that greater employment with lower average wages is preferable to steeply *rising* wages, inflation and cut-backs in black job opportunities.

Economists are agreed that there is no early solution—if there is ever going to be one—to the employment problem in a country whose population is expanding at 3.6 per cent. annually, as is the case in Rhodesia.

In manufacturing, black wages account for only 8 per *cent. of output and in mining*, currently riding on a world commodity boom, it is 15 per cent. Agriculture is a different matter, with black wages accounting for 31 per cent., and it is relatively poorly placed to boost earnings, which cannot be said of mining and manufacturing.

A crucial consideration in resolving this problem could be the rate of white immigration. Already businessmen are complaining of the shortage of *skills*, and it may yet be this that will help to boost black wages.

Advertising and Marketing mix

Max Factor's new beauty book

BY DOINA THOMAS

Stephen Sunderland and his beauty book

THIS SEPTEMBER Max Factor, which claims to be the leading cosmetic brand sold through retail outlets, is beginning a new £120,000 promotion campaign which the company insists "will be strongly retailer oriented."

Max Factor also believes that this promotion, the free gift of a paperback book, "Your Plan for Beauty" with a £1 purchase of cosmetics, is different to anything done in the beauty business before. The free gift offer will be supported by a £50,000 national television campaign starting at the end of September, the whole promotion will last two months.

The promotion was devised, says Max Factor marketing director, Stephen Sunderland, to help retailers combat the influence of the door to door sales of cosmetics by such highly successful companies as Avon. Although the amount of cosmetics sold door to door valued at around £25m. does not sound impressive compared to a total *market of £230m. at retail selling prices*, the small retailers in particular feel under pressure.

The book, although admittedly not printed on best quality paperback paper, does have some colour illustrations, and has been written in the form of a ten-week beauty course by Max Factor's own experts—repeat purchases are obviously the aim. It is given a value of 45p "so shopper virtually gets back [illegible] the necessary £1 spent to [illegible] it" *observes Sunderland*.

Max Factor has ordered [illegible] million copies of the book [illegible] will be distributed to the [illegible]pany's 14,000 stockists thr[illegible] out the country. The [illegible] order from the Queen [illegible] Press *(part of the British P[illegible]ing Corporation)* which [illegible]lished the book, was only 750 but was upped after the "[illegible] enthusiastic" initial reaction Max Factor representatives.

Counter cards and [illegible] stickers are also being pro[illegible] to support the book which [illegible] be delivered to stockists minimum quantities of [illegible] Normally gift with pur[illegible] promotions have a very [illegible] life but this one, Sunder[illegible] believes, could be extended, purpose is partly educationa[illegible]

The television commer[illegible] have been devised by [illegible] Bates, Max Factor's main a[illegible]tising agency. Max Factor [illegible] sales are expected to [illegible] £12m. this financial year, [illegible] total annual promotional b[illegible] of £1.5m., two-thirds of wh[illegible] spend on media, which [illegible] this promotion relatively [illegible] beer in expenditure terms. if we dispose of every on[illegible] those million copies along [illegible] £1m.-worth of cosmetics [illegible] Sunderland leaves the sums[illegible]ing.

APPOINTMENTS

Lloyds & Bolsa chairman

Sir Reginald Verdon-Smith, deputy chairman of Lloyds Bank, has been elected a director of LLOYDS & BOLSA INTERNATIONAL BANK and has been appointed chairman.

*

Mr. J. J. N. Wyatt has been appointed chairman of C. T. BOWRING (U.K.) in place of Mr. J. K. Shipton. Mr. [illegible] Whiley has been made a director and chief executive. Mr. [illegible] has been appointed managing director of C. T. Bowring (London) and Mr. [illegible] Whiley has resigned as joint managing director.

*

Dr. Herbert Gruenewald is to become chairman of BAYER AG, the West German chemical company. He will succeed Dr. Kurt Hansen, who will retire after the annual meeting next July.

*

Mr. A. J. [illegible] has been appointed chairman of NORMAN FRIZZELL LIFE & PENSIONS. He retains his executive position as managing director.

*

Mr. Leslie [illegible] who retired from being comptroller of financial services of the Greater London Council on June 30 has joined Phillips & Drew, stockbrokers, as a consultant.

*

Mr. G. E. Short and Mr. [illegible] Lewis have been appointed joint managing directors of SYNCRONOL INDUSTRIES.

*

The Rt. Rev. E. A. J. Mercer, Bishop Suffragan of Birkenhead, is to be Bishop of Exeter. He will succeed the Rt. Rev. [illegible] Mortimer, who will be resigning on October 1.

The Venerable J. R. G. Eastaugh, Archdeacon of Middlesex and Vicar of St. Peter, Eaton Square, will become Bishop of Hereford in succession to the Rt. Rev. M. A. Hodson, who will resign on November 25.

*

Mr. A. F. Blacklaws has been appointed a non-executive director of EC CASES. Mr Blacklaws is personnel director of Scottish and Newcastle Breweries and a director of Scottish Brewers.

*

Seven members have been appointed to the new Dartmoor National Park Committee, which takes over administration of the National Park next April. They are: Mr. Hugh Black, Mr. Mark Blacksell, Mrs. [illegible], Dr. Alan Longhurst, Capt. Edward Madgwick, Mr. Brian le Messurier, and Mr. Robert Treake.

هكذا من الأصل

CRICKET — BY TREVOR BAILEY

A tough assignment

RAY ILLINGWORTH, who originally became captain of England as a result of an injury to Colin Cowdrey and did so well that he has remained in command for 31 Tests, will not take the MCC to the Caribbean this winter. After the way his side was outplayed in all departments by the West Indies and, especially the manner and the extent of the humiliation at Lords, the selectors have understandably decided that a fresh approach was required.

Unfortunately, although their choice for what is bound to be a difficult job has apparently been made, it will not become public until Friday, when it has been officially approved by an MCC Committee. The news has, of course, leaked out, which is a rather unsatisfactory state of affairs.

I understand they have invited Mike Denness, who has already led Kent, easily the strongest one-day team, to victory in the John Player League and in the Benson and Hedges Final.

Although this proves he has skill as a captain, it means little in terms of Test Matches. His record in county matches is not so impressive and, though Kent could still conceivably win the championship, they hardly deserve to do so, as they have to date only won four games and owe their high position in the table entirely to the number of bonus points picked up by their exceptional batting line-up.

They should, in fact, have recorded one more victory against Somerset at Maidstone, if Mike Denness had not delayed his declaration so long that their opponents were able to escape.

Tactically I would place Mike Denness in the middle of the County captains. I certainly hope that he does well in the West Indies. From the diplomatic angle he should be a success as he has a most pleasant character and a good appearance, not unreminiscent of Bobby Moore.

Mike is a splendid and inspiring fielder, but there must be something of a question mark against his batting at Test level. The selectors, showing complete lack of logic, did not choose him for one test this summer. Any batsman of genuine class ought to have established himself as a regular in the England team of the past few years.

He is unquestionably a handsome County cricketer, who is currently enjoying one of his best seasons, but is he a true Test player? A career average of only 31 and spanning a decade is not very impressive, especially when one remembers that his county colleague, Brian Luckhurst, has been so much more successful over the same period and in the same circumstances.

It is an interesting thought that if the selectors had picked Denness, instead of Luckhurst against the West Indies, and there are many who believe they should have done so, would he now be the new England captain?

There can be no disguising the toughness of this assignment. Mike Denness has to try to win the rubber with a team that is bound to have limitations. He has to prove himself to be a good captain, although he has very little experience of test cricket and he has also to justify his own place as a player, because these days it is not possible to carry a captain at international level.

YACHTING — BY ALEC BEILBY

Nineteen entries for Whitbread Round the World race

THE FIRST one round gets a Whitbread—that is the neat slogan that the sponsors of the Round the World yacht race, which starts from Portsmouth in ten days' time, have produced to promote the event, but as there are now 19 definite entries and 19 definite prizes everyone competing could receive a little more.

Enthusiasm for the race was certainly evident at the Whitbread City headquarters yesterday where Rear-Admiral Otto Steiner, chairman of the race committee and Vice-Commodore of the Royal Naval Sailing Association, which is organising the event, outlined final details of what is to be the most ambitious race every organised on handicap for fully crewed offshore racing yachts.

At noon on September 8 Sir Alec Rose will fire a 100-year-old cannon from the ramparts of Southsea Castle, at the entrance of Portsmouth harbour, and following months of preparation and training the 19 crews, among them five British and five French, will head out to the east of the Isle of Wight and then on the first stage of the four-part race to Cape Town.

Adding a side interest to the proceedings will be the appearance of Alain Colas, the Frenchman who won the 1972 single-handed transatlantic race in Pen Duick IV and who preceded this feat by sailing single-handed in the yacht from Mauritius to Brest, a distance of about 9,000 miles, at an average speed of more than 150 miles per day.

He had already planned to sail round Cape Horn next year and when he heard of the Whitbread race he decided to sail with them, though excluded in a trimaran, and with speeds recorded by his vast yacht it is highly unlikely he will be literally following the fleet.

The former owner of Pen Duick IV, Eric Tabarly, will be competing in the race in his new alloy ketch Duick VI, an expensive entry heavily supported by the various French Government sports funds in the interests of national prestige. This is the yacht that the Royal Naval entry Adventure and Chay Blyth's entry Great Britain II will be out to beat—in the same interests.

The Italians are making an interesting approach to the 27,000-mile voyage for while the British and French crack crews are very much "stag" teams the Italian ketch CS e RB will be skippered by Doi Malingri, a Turin company director, and among others, a male journalist and three girls. The behaviour of these crew members will be observed by 24-year-old Alberti Passi, a third-year philosophy student, who should produce a unique thesis once round Cape Horn.

Positions and progress of the yachts will be plotted at the race offices at Portsmouth, Cape Town, Sydney and Rio de Janeiro every week when competing yachts have a compulsory time for radio reporting. Emergency procedure ashore will be initiated only if a yacht has totally failed to report and has been unsighted within twice the time that yacht should take from her last known position to her next port of call.

Meanwhile, various studies of the oceans and life in them will be made by crews during the race, particularly the behaviour of whales towards yachts following the sinking of several yachts by them during the past two years. It is thought that hull-shape, noise and hull colour could produce different reactions in whales, though, as a crew member of the South African yacht Pioneer said after spending nearly two days in a rubber dinghy in mid-South Atlantic after a sinking in the 1971 Cape Town to Rio race: "The reaction of a whale asleep on the surface when hit by a 10-ton yacht moving at eight knots is—as with any other 30-ton mammal, fairly predictable—he woke up, we sank."

Threat to NATO, says general

THE "BALANCE of terror" in nuclear weapons held by East and West means that Moscow could launch a conventional attack which would leave the NATO allies with no choice but to capitulate, it was claimed yesterday.

General Sir Walter Walker, British Commander-in-Chief of Allied Forces in Northern Europe from 1969 until last year, warned the World Anti-Communist League Conference in London that NATO no longer had a "coherent strategic doctrine which takes realistic account of the quite extraordinary growth of Soviet strategic forces."

"Unless NATO developed a viable and credible doctrine, said the General, "there might one day be a temptation for Moscow, in some yet unforeseen crisis, to launch a conventional attack that would leave the NATO allies with no choice other than capitulation."

We had to stop thinking that NATO could continue to shelter under the U.S. nuclear umbrella.

"Now that Russia has caught up, and because the strategic balance is no longer favourable t othe U.S., it is my firm conviction that the role of the American strategic force will be limited to striking at Russian cities only as a last resort, and then only in retaliation for attack against the continental U.S. itself."

"In other words, the balance of terror is now such, that it leaves little room for any other alternative American strategic policy."

In the present nuclear stalemate, nuclear weapons now only deterred other nuclear weapons, and it was conventional forces that were needed to deter the conventional forces of the Warsaw Pact.

Net investment by insurance companies up 31% in 1972

FINANCIAL TIMES REPORTER

THE TOTAL net investment of insurance companies increased by more than 31 per cent., to £1,618m. during 1972, according to figures published yesterday by the Department of Trade and Industry.

The main change in investment behaviour last year was a marked increase in the proportion of funds being channelled into Ordinary shares — 42 per cent. compared with 30 per cent. in 1971.

This was offset primarily by lower investment in British Government securities, 18 per cent. compared with 41 per cent. of new investment in 1971. While investment in this group of securities was well below the peak of 1971 it still accounted for a higher proportion of net investment than in any other year since 1967.

Investment in land, property and ground rents fell quite sharply and totalled £131m. last year, compared with £198m. in 1971.

Private pension funds, however, increased their net investment in land, property and ground rents by 53 per cent. to £68m. in 1972, although this was still 8 per cent. less than the peak year of 1969.

The marked feature here, as with insurance companies, was the increase in net investment in Ordinary shares which reached a new peak of £276m., an increase of 63 per cent. on 1971. This represented 67.5 per cent. of total net investment by private pension funds compared with 46 per cent. in 1971 and 47 per cent. in 1970.

There was net disinvestment in debentures, the first time in the last decade that this has happened, and there was also net disinvestment of £31m. in British Government securities in 1972 following the exceptionally high level of investment of £175m. in 1971.

Fisons to form drugs subsidiary in Denmark

BY RAY DAFTER

FISONS IS to form a wholly-owned subsidiary in Denmark to exploit the sales of its pharmaceutical products.

Trading operations will begin on January 1. The name and financial details of the new company have not yet been disclosed.

A statement from Fisons said the company would enable the group to exploit the potential for pharmaceutical products, in particular the anti-asthma drug Lomudal (known as Intal in the U.K.). It would have its own marketing and administrative organisations in all four Scandinavian countries.

Fisons' pharmaceutical interests produced a turnover of £26.1m. world-wide last year. Lomudal has already been launched in Scandinavia through a marketing and distribution link with Astra, the Swedish pharmaceutical company. Astra will continue to distribute the product.

The manager of the new Copenhagen-based subsidiary will be Mr. Robin Priddle, marketing executive with Fisons pharmaecutical division, who has been associated over the past two years with the Lomudal launch throughout the Scandinavian markets.

GLC attacks decision on raising rents

FINANCIAL TIMES REPORTER

A STRONG attack on the Government's decision to compel the Greater London Council to increase council rents by 50p a week from October 1 is made in a letter sent by Sir Reg Goodwin, Leader of the GLC, to the council's tenants.

Each tenant receiving the official notice of the increases will also receive the letter from Sir Reg. The letter is also signed by Mrs. Marie Jenkins, chairman of the GLC Housing Management Committee.

They deplore the Government's action and promise to continue to seek a reversal. Sir Reg said yesterday that he was hoping to lead a deputation of local authorities to see the Prime Minister in an effort to persuade him that the increases would add to inflation.

"We believe that our rents are high enough and should in some cases be reduced. This is our submission to the Rent Scrutiny Boards under the requirements of the Housing Finance Act and the Government should not compel us to increase rents while the Scrutiny Boards are considering our case," Sir Reg added.

The letter states that in February the GLC notified tenants of what it considered to be their fair rents, but that since then there had been a change in administration at County Hall and the new GLC's view was that those assessments (which proposed average increases of £1.30 a week) were scandalously high.

Third cable TV station opened at Sheffield

BY JOHN CHITTOCK, INDUSTRIAL FILMS CORRESPONDENT

BRITAIN'S THIRD local cable television station was opened in Sheffield last night by Sir John Eden, Minister of Posts and Telecommunications.

Operated by British Relay Wireless and Television, it will cover about 31,000 homes in the Sheffield area with a potential viewing audience of 300,000—making it the largest coverage among the five experimental stations the Government has approved.

Although by broadcast TV standards cable stations are still very primitive—using, for example, non-professional videotape recorders—British Relay believes Sheffield Cablevision will be the most sophisticated in Britain.

Like the stations operating at Greenwich and Bristol, Sheffield will confine its own programmes to matters of local interest. The cable operators, however, also provide the normal broadcast channels—and indeed came into the business by offering BBC and ITV channels by wire.

Two more stations are still to open, one at Swindon (where EMI owns the network) and another at Wellingborough in Northants.

The future of cable television in Britain depends on the Government's decisions, which must take note of these experiments; but what happens in Sheffield or Bristol is tied up with broader political issues about the whole future of TV in Britain.

William Leech to build 850 private houses

BY PETER RIDDELL, PROPERTY CORRESPONDENT

THE WILLIAM LEECH Organisation, the northern building group, plans to build 850 private houses in Nottinghamshire, Lincolnshire and south Yorkshire in a £6m. developent programme.

The project will be carried out by the group's Midland subsidiary, based in Nottingham, which has acquired eight sites, most of them in the past 12 months.

The estates, which cover more than 70 acres, will range from 14 to 350 units. Prices will be between £6,000 for a two-bedroom flat to £16,000 for a detached four-bedroom villa with double garage.

Work has already started on the first estate, at Manor Park, Bessacar, Doncaster, where 151 units will be built over the next two years.

The largest estate will be at Scunthorpe where Leech is to construct 350 units in the £8,000 to £9,000 range over the next five years. Work should begin in October.

Other estates—in Nottinghamshire—are planned at Balderton and Farndon, both near Newark, three at Hucknall, and one at Retford. The agents are Henry Spencer and Son, Edward Bailey and Son and Beardsley Theobalds.

William Leech is currently building 2,500 houses a year throughout the north of England and Scotland.

CONFERENCE ON CONSTRUCTION SAFETY

The first Joint Construction Safety Conference will take place in London on October 2.

The conference, being organised by the National Federation of Building Trades Employers and the Federation of Civil Engineering Contractors, will be held at the NFBTE's new Conference Centre at 20, Duchess Mews, London, W.1, beginning at 10.30 a.m.

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THURSDAY AUGUST 30 1973

Going it alone once more

THE Government's decision to invest £46m. (rising, if necessary, to keep pace with inflation) in the development of Hawker Siddeley's HS-146 is not unexpected but has been long delayed. The reasons for the delay are obvious enough. The HS-146 is an aircraft which makes excellent sense from the company's own point of view. Its production will provide employment for some 20,000 workers and supplement its current production programme during the latter half of the 1970s.

From the Government's point of view, however, the project raises questions which have required prolonged consideration. Two, in particular, stand out. The first, acutely relevant after widespread criticism of previous support for the aircraft industry and of Concorde's failure to attract anything like the number of orders once hoped for, is the justification on commercial grounds for investing so large a sum of public money in a single, not particularly exciting, project. The second is the failure of the HS-146 to meet the Government's declared object of closer co-operation with the rest of the European aerospace industry. Not only does the HS-146 lack the element of European co-operation, but it will be in direct competition with other European aircraft (notably the Dutch-German F-28) and over a quarter of its cost will be made up of jet engines purchased neither at home nor in Europe but in the U.S.

Special case

The answer to both questions has been found in the special nature of the HS-146. It is a relatively low-speed, short-flight aircraft, seating (in one or other of the two proposed versions) 70-100 pasengers, the particular advantage of which is that it will be able to make use of rough airstrips at a low noise level. Its main purpose, therefore, will be to provide feeder services between large airports and smaller ones which until now have been served only by non-jet aircraft. The market for such aircraft is expected to grow rapidly over the next decade and Hawker Siddeley, though it has not looked for orders until Government assistance was arranged and expects a large number of small orders rather than a small number of large ones, hopes to gain a sizeable proportion of it.

Given this type of market, the fact that the new aircraft is not technically sophisticated is a positive advantage — the first flight is expected to take place in little more than two years' time and actual service to begin early in 1977—and the purchase of relatively cheap U.S. engines available off the shelf is an essential part of controlling its production cost. Hawker Siddeley itself will be investing much the same sum in the aircraft as the Government and will be responsible for meeting any escalation in costs, other than from inflation: it expects none to occur. The Government contribution is essentially an investment intended to ease the strain on the group's financial resources which is to be recouped by a levy on sales. Commercially, the operation has been judged sound.

Co-operation

There remains the other question of European co-operation. Although Hawker Siddeley is ready enough to buy components from European suppliers if these are available on a competitive basis, this project is undeniably not an exercise in either inter-government or inter-company co-operation. For that very reason, it may well attract criticism on the Continent, especially from companies which see the HS-146 as a potential competitor.

The answer, once again, must be that this is a straightforward commercial venture which involves no advanced technology and which a single firm is competent to handle. The fact remains that it may well be one of the last of its kind if the European Commission gets its way and the present system of informal co-operation on particular projects is to develop into closer integration between the aerospace industries of the EEC—an integration which will be necessary if viable competitors to the U.S. giants are to be established. The U.K. Government is strongly in favour of such integration, despite the problems of employment as well as of financing which it will involve. The decision to support the HS-146 does not affect the wider issue, whether the Government should lead the way by promoting further rationalisation of the domestic aerospace industry.

Wildcat strikes in Germany

THE WAVE of wildcat strikes which has recently broken out in West Germany is somewhat reminiscent of the "hot autumn" of 1969; and since the wage explosion which took place then, with average earnings in 1970 nearly 17 per cent. higher than in 1969, is widely regarded as having played a major part in breaking Germany's long-standing tradition of monetary stability, it is understandable that the Brandt Government should be showing concern at the latest developments.

The explanation is different in the two cases. In 1969 the workers, who had accepted a rather modest pay agreement, were irritated to find that the boom was doing much more for their employers' profits than for their wage packets. Now they are irritated to find that the wage increases they negotiated at the beginning of this year are being eroded by the rapid pace of inflation.

Earnings

So far, it is true, earnings have stayed ahead of inflation. The upward movement of the consumer price index accelerated in each of the first six months of this year, and though it slowed down in July, largely due to such seasonal factors as food prices, it was still 7.2 per cent. higher than a year earlier. But wage drift on top of this year's wage increases has taken average earnings some 12 per cent. higher than they were a year ago. In practice, therefore, the workers have been maintaining roughly the same margin of real growth in incomes as they did in 1971 and 1972.

Nevertheless, the wildcat strikes indicate that 5 per cent. real growth in earnings does not seem enough in a period of high inflation, especially when, as the latest economic forecast by the IFO institute suggests, the pace of inflation is likely to accelerate during the rest of this year. It also indicates that the German practice of negotiating legally binding wage agreements, long held up as one of the great virtues of labour relations in that country (and rightly so), is not proof against the strains created by monetary instability.

The IFO survey also forecasts an acceleration in the pace of earnings growth during the second half of this year, as the boom gathers speed, to an annual rate of 14-15 per cent. The government appears to be doing its best to ensure that this prophecy is fulfilled, by urging the employers to find some compromise with the workers, and the engineering employers have said they are ready to talk with the major engineering union.

The dilemma for the government is that additional wage increases risk undermining its own anti-inflation policy, which has yet to produce any real results, despite the severity of the monetary squeeze. They also threaten the ability of German exporters to take in their stride the successive revaluations of the D-Mark. But Herr Brandt appears to have decided that on balance, a serious disruption of production would be more damaging to the economy.

Participation

The other lesson is that the German union movement has failed to take full account of the importance of the foreign workforce in Germany, which now amounts to around 2½m. It is looking forward to the proposed improvements in worker-participation, in both the decisions and the profits of industry, which are due to be tabled this autumn. But it is striking that many of the wildcat militants have been foreign workers, who are less interested in participation than in earnings.

Machinery makers: trouble in the wake of recovery

BY COLIN JONES

THE capital goods makers of the engineering industries have been experiencing one of the fastest turnrounds that many of them can ever remember. Within less than 12 months—between about this time last year and the early part of the summer—recession suddenly gave way to boom, and a mood of the deepest gloom was replaced by a gnawing sense of frustration. Last year's gloom was caused by the suddenness and apparent endlessness of a recession that had hit overseas markets as badly as business at home.

This year's frustration comes from the fact that shortages of skilled manpower and of a widening range of components and materials emerged at so early a stage of the revival.

Dropped to a quarter

These supply difficulties are themselves a measure of the speed of the turnround. Between the end of 1970 and the middle of 1972 the volume of private industry's capital expenditure on plant and machinery fell by 15 per cent. and, with demand also declining in Western Europe, North America, and many other overseas markets, the flow of new orders in the more sensitive sectors like machine tools plummetted at one time to barely a quarter of the peak levels of the year before.

In that sector, widely regarded as the bell-wether of capital goods manufacture, the recovery could be said to have become firmly established about the end of last year or early this year. In others—such as construction and earth-moving equipment, office and agricultural machinery, and mechanical handling equipment—the flow of orders started to pick up fairly early on in 1972, while some, like heavy engineering, industrial plant and steel work, and electrical plant and equipment, have had to wait until the spring or summer of this year.

Overall, engineering orders began really to surge ahead during the opening months of this year. The total for the three months February to April, 1973, was no less than 45 per cent. higher than the year before in volume terms and 17½ per cent. higher than in the immediately preceding three months. These figures include some consumer goods sectors, such as electrical engineering, where business had been on the up for some time. But in mechanical engineering alone, the February-April order flow was 48 per cent. up on a twelve-monthly comparison and 29 per cent. up on the November-January total—again in terms of volume after allowing for price increases.

Output, in the meantime, was shooting up at the rate of 18-20 per cent. a year for all engineering, while in mechanical engineering, where deliveries began to respond only in early 1973, an 8½ per cent. increase was registered between November-January and February-April. Unfortunately, that is as far as the latest official figures from the Department of Trade and Industry go. The statistics for the machine tool industry are even farther behind. But all subsequent reports, from surveys like the CBI Industrial Trends and the Financial Times Business Opinion Survey as well as indications from individual companies, show that orders and output have gone on climbing, possibly at an even faster pace.

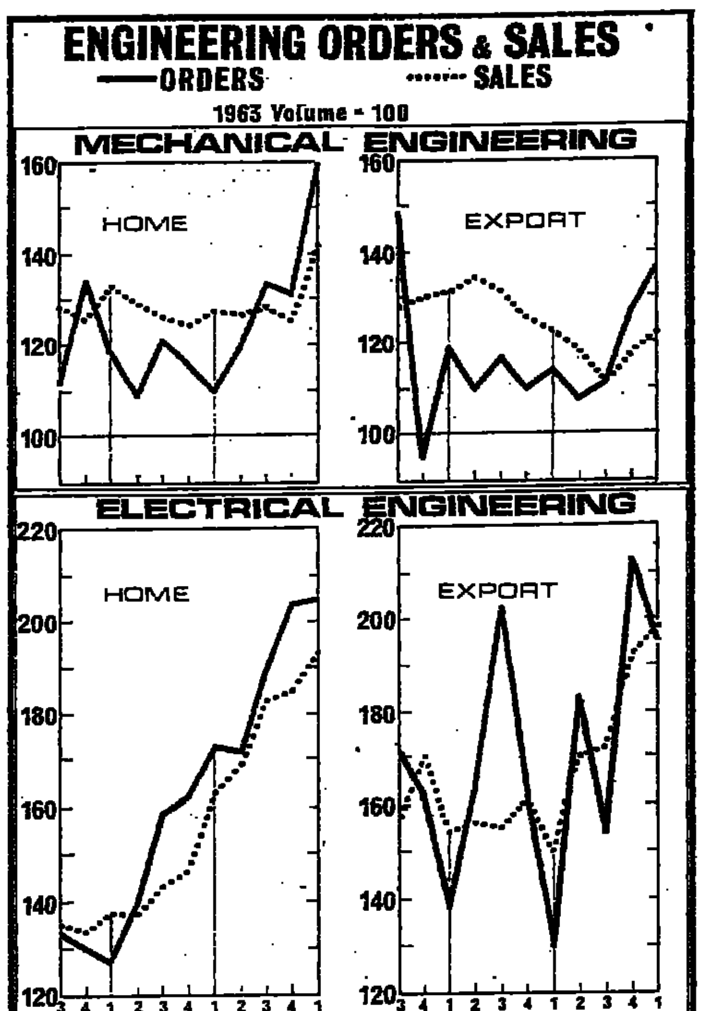
Several explanations are going the rounds as to why the upturn, when it came, was so sharp. One is because it was so delayed. On past experience, the upturn in capital goods demand usually comes at any time up to twelve months after the economy as a whole has started recovering. In 1967-68, the revival in mechanical engineering output came after just a year's delay, but in 1962-63 the upturn coincided with that of the rest of industry and in 1958-59 there was a delay of only three months. This time activity in mechanical engineering did not begin to rise until a full 18 months after the recovery in total production (that is, if one ignores the output loss occasioned by the 1972 miners' strike).

Reflationary measures

The longer time-lag this time probably reflected several factors — the slowness with which the economy responded to the Government's reflationary measures from October, 1970, onwards, the substantial amounts of spare capacity created by the cut-backs of 1971, and the toll that inflation had exacted on businessmen's confidence. As a result, industry waited for rather longer than usual before proceeding with plans for plant expansion and re-equipment.

The abruptness of the turnround in capital goods manufacturing also reflected the fact that overseas demand, having fallen off at about the same time as home orders, began to revive at about the same time too. The major world industrial economies moved more or less together into recession and then out of it again.

In addition the devaluation of the pound since the June, 1972, float sharply improved the competitiveness of British engineering goods. The price advantage brought by the 1967 sterling devaluation had been more or less totally eroded by about the end of 1971, and engineering exporters were having a hard time winning orders even when there was business to be had. Their difficulty now is not so much in getting prices that offer a reasonable level of profit (in the case of those engineering products that are price sensitive) but in offering competitive delivery dates—though overseas delivery periods are also being rapidly extended in many sectors.



By February-April this year the volume of new export orders was 48 per cent. higher than 12 months earlier for all engineering sectors as a whole and 44 per cent. higher in the case of mechanical engineering. Again, such evidence as is available from general surveys and from individual companies indicates that there has been no slackening of pace since April.

Given the speed with which both orders and production improved, it is hardly surprising that supply difficulties should have appeared so quickly. A survey of some 1,000 engineering plants conducted in June and July 1972 by the Engineering Employers' Federation indicated an average of about 80 per cent. capacity working in the industry at that time. Estimates of how much output could be increased without adding to existing manpower ranged from a median of 8 per cent. for large companies (over 2,500 employees) to one of 14 per cent. for the smallest firms (less than 50 employees).

Among the various engineering sectors, the potential for increased output with the same labour force ranged from a median of 7-8 per cent. in machinery to 18 per cent. in machine tools (where capacity utilisation then averaged only 73 per cent.). The average for all sectors was 8 per cent. An increase of this amount was achieved by the fourth quarter of last year. In mechanical engineering, an 8 per cent. increase from June-July 1972 level was achieved by the first quarter of this year.

Most companies expected a manpower problem eventually, but they had not expected it so soon, simply because they had not foreseen so rapid an upturn. There was also the thought, in some minds at least, that many of the 350,000 men and women who had left the engineering and allied industries between early 1970 and mid-1972, nearly 10 per cent. of the total labour force, would still be available, as a kind of second-line reserve.

The trouble has primarily been in the skilled grades, however. Not much more than a year ago there was one vacancy for skilled men for every seven or eight registered unemployed. Now it is the other way round: the number of vacancies exceeds the number of men looking for work. In some parts of the country the situation is less acute, but in the southern and eastern regions vacancies now outnumber the unemployed by ten, 20, or even 40 to one in occupations like tool setting and machine moulding.

Shortage of components

Likewise, the speed of the turnround lies behind the difficulties in obtaining items such as castings, certain types of special steel, brass stampings, tool and dye manufactured products, small electric motors, industrial engines, compressors, and some electronic components. Demand for these items has suddenly shot ahead and capacity is limited either by a sheer physical shortage or by similar difficulties in obtaining manpower, essential components or materials.

The shortage of something as basic as billets or special steel for example, can set off a veritable chain reaction through the complex structure of relationships between sub-contractors, component makers, and machinery manufacturers. Import duties have been suspended over a wide range of steel products but steel makers overseas are also facing growing difficulties in offering reasonably early deliveries. In the case of special steel, producers here and abroad are constrained by a shortage of ferrous scrap used in electric furnaces. Because the U.S. has curbed exports of ferrous scrap, the ECSC has temporarily banned scrap exports; and because Britain is still in a transitional stage of membership the ban applies to shipments to this country. The British Steel Corporation has responded by asking the Government to ban U.K. scrap exports for a couple of months.

Delivery dates strained

The upshot of all these problems is that delivery dates are shooting out for most products. As a result, more machinery buyers here will be encouraged to scout around the world for imported equipment while the U.K. machinery makers may in turn lose valuable export opportunities. These consequences can be over-stressed, of course, as the delivery dates of engineering companies in other countries are also lengthening. But whereas U.K. exports of plant and machin[ery] rose by 17 per cent. betw[een] the first halves of 1972 [and] 1973, imports increased by [...] per cent. and the overall tra[de] balance in plant and machin[ery] fell by an eighth to £[...] True, the price effects of t[he] sterling devaluation since t[he] float contributed to this, [...] the increases in volume alo[ne] were about 10 per cent. for [ex]ports and probably at least [...] per cent. for imports.

Inflation will not help [pre]serve the price competitive[ness] of U.K. engineering expo[rts] either. Over the past year [the] cost of materials purchase[d by] mechanical engineering indu[s]tries has risen by 12 per ce[nt.] while for electrical engineeri[ng,] thanks to the latest rise [in] copper prices, the increase [has] been over 22 per cent. Ot[her] industrial countries may [also] have been facing higher [...] prices for imported [...] materials but not to such [a] great extent as here, beca[use] of the additional effect of [the] decline in the value of ster[ling] against other currencies.

Investment intentions

Nevertheless, most engine[er]ing sectors — apart perha[ps] from those that are heav[ily] engaged in consumer goods [—] can look forward to a high [and] rising level of activity for so[me] time to come, so long as the[re] is no major change in econ[omic] policy. All the latest indic[ators] suggest that the officia[l fore]cast of private industry's [invest]ment intentions, which [was] based on the April-May, 1[973] survey by the DTI and whi[ch] pointed to a 5 per cent. incre[ase] in real terms and anot[her] "strong increase" next ye[ar] will prove to have been [an] underestimate.

Some sectors, like constr[uc]tion equipment, are expecti[ng] demand to slacken off next ye[ar] and there are one or t[wo] machine tool makers who a[re] forecasting some easing in 19[74.] But, with the heavier end [of] engineering likely to benef[it] from increased spending by th[e] steel and electricity supp[ly] industries next year, the overa[ll] outlook should remain buoyan[t] for at least another year.

The problems of supply th[at] engineering is currently exper[i]encing are the price of the sto[p-]go cycles of the past. It is [im]possible for a cyclical indust[ry] to remain profitable during t[he] troughs and to retain t[he] capacity to cope with the pea[ks.] The tragedy is that after t[he] grim experience of the 1971[-72] recession, many more compa[nies] were persuaded of the merits [of] a policy of remaining profitab[le] during the troughs. Most [of] them, too, will take a lot [of] convincing that another troug[h] will not come again one day.

MEN AND MATTERS

The spreading of Buitoni

Even if the proposed purchase by Industrie Buitoni Perugina of J. Bibby's grocery interests were to fall through (there are no signs that it will), the name looks like one we shall have to get used to in the next few years. At a time when British companies have been making most of the running in the European food distribution business, IBP has itself come into the British market and built a thriving business with its range of pasta products.

IBP has a curious history. It began as a pasta-making company in Northern Italy at the beginning of this century, but started to spread its tentacles into France in the 1930s. Then, at the beginning of the war, Giovanni Buitoni, uncle of the present managing director, Paolo Buitoni, was caught overseas on a visit to America. So he stayed to set up the American Buitoni company. Meanwhile, another branch of the family had started Perugina, a chocolate-manufacturing company.

The present generation (Paolo is 37) has brought all these interests together into one holding group, buying out the overseas concerns. The family, following the quotation on the Milan Bourse last December, still has control, with 50.1 per cent. of the equity, but the express intention of going public was to expand internationally.

In Britain that process started five years ago, when Buitoni set up a marketing company under Bob Radford, an ex-Unilever executive, for canned products (ravioli and Italian sauces) and wrapped pasta. Recently it has launched its chocolates on the British market as well.

But how does this fit with the Bibby products (spreads, tinned salmon, imported fruits and edible oils)? Franco Buitoni, Paolo's brother and external relations director, says that Buitoni is looking for "turnover on which to build up the British company." It would continue to sell the same products although, at the moment, it has no intention of producing ravioli over here.

Tackling the tailors?

In the Allied Textile Companies Group, John Packer is something of an oddity. The group has been built around specialist family textile companies, and is still largely run by the family managements who have been taken over in a series of 28 deals since 1963. But Packer, a graduate in textile design at Leeds University, is a man who has made his own way, one of the "first of the paid executives" as he puts it, to have come to the top of the heap in Yorkshire textiles.

Now he is going on to the main ATC Board, as marketing director with a specific brief to "seek out new opportunities in the quality menswear business." What makes the appointment intriguing is the role Packer has had in the group for the last six years as managing director of Reid and Taylor. At Reid, makers, it is claimed, of "Britain's most expensive suiting" (and taken over by ATC eight years ago) Packer carried on a tradition of spectacular promotions with the aim of establishing links directly with the customer. ATC has thus become known for its marketing in wool manufacturing circles.

So how much further will Packer take it? Almost certainly, it seems, into other quality menswear areas, like shoes or tie makers. Russell Smith, the group managing director who started the group, says it definitely wants to go "down the line in distribution." Packer says it might even end up with a group of tailors' shops. The first signs should come soon: there are, he says, a number of negotiations already in progress.

"I'm bid 14%, do I hear any advance on 14%?"

Labouring on

Sir Denis Barnes became Permanent Secretary at the Department of Employment in 1966, at the time when it was becoming one of the most politically sensitive areas in the Government. By then the Labour Government had already dabbled with prices and incomes policies, and his period straddled the Royal Commission on Trade Unions (which he helped set up), In Place of Strife and the Industrial Relations Act (both of which he worked on) and a number of headline-making strikes—the seamen in 1966, and the more recent and no less notorious miners' and railwaymen's disputes.

But now, at 58, with the move to the chairmanship of the Manpower Services Commission, he is putting the political arena behind him. He is also taking on an activity which, in spite of a lifetime in Whitehall labour Ministries, he has not had much direct experience of before: the Manpower Commission is to take on all central Government responsibility for employment selection and training, and Barnes' speciality has tended to be conciliation.

The Commission will be moving out of London in due course. Where is not clear yet, although Liverpool has been suggested. Barnes, who went to school in Manchester (he is an early civil service Grammar School product) says it will be no bad thing to be moved out of the direct Government sphere of influence.

At the same time he points out that he will be the only Civil Servant, among a panel of nine trade unionists, employers and educationalists, at the Commission. And does he, as a Civil Servant, like dealing with outsiders best? "If you live with Civil Servants, I suppose the answer is yes."

Training will out

In the village cricket match, the local squire was clearly out l.b.w. The batsman glared at the umpire, who happened to be his butler. Unperturbed, the umpire intoned: "His lordship is not in."

Observer

The Marketing Scene

INDUSTRIAL MARKETING RESEARCH

Why mixed skills pay

BY AUBREY WILSON

A TREND in industrial marketing research which was perceptible as long ago as perhaps 1960 has suddenly blossomed again and has produced a development as profitable for its practitioners as for the users of their services. It has thrown up the comprehensive, multi-disciplinary, international marketing research operation. The services of different types of companies and individuals comprising different skills, qualifications and experience are welded to produce an appropriate problem solving tool for a given situation.

In the 1950s and 1960s marketing research companies developed widespread international networks to conduct multi-country research through loose networks.

Some companies managed to collect as many as 40 to 50 separate country links—the whole situation became like schoolboy stamp collecting—seeing who could get the most associates on the books and even swopping duplicates. More sophisticated companies entered into formal groupings with the intention of at least establishing standards of research, codes of practice and comparable pricing and client exchanges.

Problems followed inevitably. They suffered the occupational disease of all co-operative marketing efforts, jealously, distrust, unwieldiness and instability.

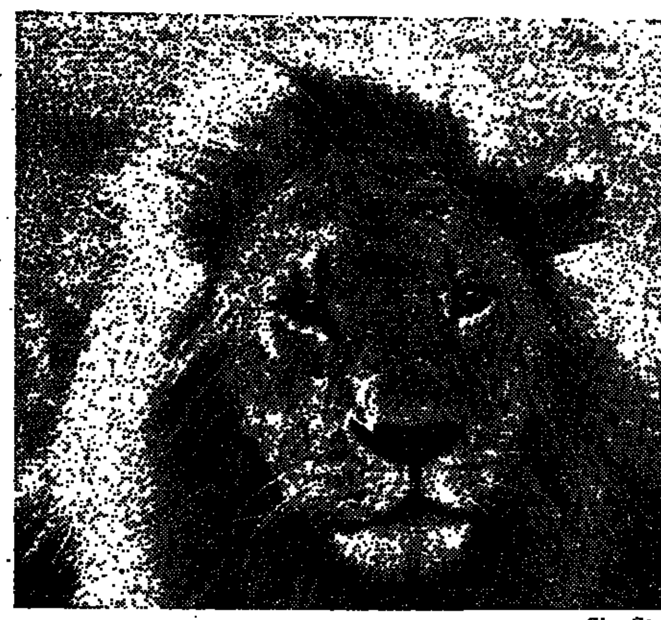
They were indicted on four counts. Firstly, expense; one agency's costs were piled on those of others. No one would give the reduced inter-professional fee for they were, over most of the period, very short on research staff.

Then the work of the consortia as between countries was non-comparable. So the client was left with a most random material, difficult to interpret and often impossible to use for decision-making. Quality was, to say the least, as highly variable as the methodologies adopted since no one agency was inclined to be dictated to by the sponsoring agency.

Finally, security was always weak. It could never be said with certainty that the agencies in the consortium would not be working simultaneously on similar studies for competitors of the main client. No wonder the great names of the international research consortia have for the most part sunk without trace.

The latest trend in research consortia is now to bring together specific teams with the skills and resources needed to resolve specific problems. Any one component of such a team might find itself a member of several simultaneously. For example, Industrial Market Research, is currently a member of three powerful consortia covering totally different types of work.

The first is research and consultancy in travel and tourism which is necessarily inter-disciplinary. It is neither feasible nor desirable for every skill or discipline which might be needed to undertake a particular study—especially a national tourism planning study—to be encompassed within one research organisation.



Glyn Genin

More than 15 different individuals were involved in the 10-year master plan to develop tourism in Uganda

When the British Government funded a major project to develop a Ten Year Master Plan for the Development of Tourism in Uganda for the Government of that country, the skills and disciplines required to cover all aspects of the study ranged from market research and analysis to architectural design and physical planning, civil engineering, wild life and ecological study and specialised financial and institutional analysis.

In order to build a project team which combined the maximum expertise in each of these important fields, a consortium of firms and individuals was put together for the study.

Altogether a total of more than 15 different individuals were involved in various stages of the project which was designed to provide a general strategy for the most orderly and economical exploitation of the tourist potential over the next ten years together with detailed proposals for Government action within the framework of the recommended strategy.

The consortium, Planned Acquisition Services (Brown, Shipley, Binder, Hamlyn and Fry and Industrial Market Research) was formed because there is a fundamental weakness in the range of services available to companies seeking to expand by acquisition. Traditionally they use their own knowledge and the merger registers of merchant banks in order to identify companies which are available for sale. The weakness of this approach is that many companies which happen to be for sale are experiencing serious problems and if they are not, there is relatively little chance of them reaching the registers of merger brokers.

The Planned Acquisition Services' consortium covers the entire process of defining the type of acquisition required, studying the industries in which acquisition is being considered, identifying suitable candidates, approaching companies on behalf of the client, obtaining the required finance and integrating the acquired company into the organisation of the acquirer. While the whole process requires a substantial input from the client, the breadth of the "package" is sufficient to cater for the needs of the most humble acquirers. Only by combining the services of a research organisation, a banker and a management consultant can this be achieved.

All consortium members are involved, in conjunction with the client, in the essential preliminary exercise of drawing up the criteria for the acquisition and a profile of the ideal candidate. The criteria recognise the fact that the market environment in which the company intends to diversify is as important as the attributes of the company to be acquired.

Depending on how far the client has pursued his thinking on the subject of acquisition, it may be necessary to undertake an internal audit of the client to establish the synergistic elements in the client's skills and his resources, strengths and weaknesses.

A single acquisition may call for the skills of a financial analyst, management consultant, marketing researcher, economist, negotiator, banker and lawyer. The consortium can bring these and other specialists together to bear on any specific problem without saddling the client with the high cost of maintaining such experts in each company. The essential difference in this approach is that the consortium is not just random grouping of skills but a carefully devised balanced team of individuals used to working with each other and with respect for the different skills and experience each member offers.

A third consortium has been devised and developed to provide research based consultancy services in the marketing of ports and transportation internationally. The reasoning was simple. Ships, port infrastructure and approaches, handling equipment and transport facilities, pushed along by the ever increasing sophistication needed by transportation in all its forms, have probably attracted a greater volume of investment in the last 15 years than any other single sector of industry throughout the world.

No one can say as yet if the concept of multi-disciplinary consortia will suffer the same fate as multi-country research consortia. At least they will have the advantage of the knowledge of the basic weaknesses and faults of the latter in charting their own course.

Aubrey Wilson is managing director of Industrial Market Research.

Co-op stamps help coal

AT LEAST an extra 18,000 tons of coal will be sold as a result of the Co-op stamps incentive scheme introduced by the Coal Board last October.

Under the scheme the Board's 300,000 employees can earn books of stamps by getting orders for solid fuel appliances — an open fire and fireplace rate 6,000 stamps or five books while a central heating system gains the employee 24,000 stamps or 20 books.

The figure for the extra tonnage could be wildly low because the Coal Board does not know exactly what the conversions are. But up to August 23 the scheme had produced 10,021 sales leads and 6,064 awards to employees (an employee can get more than one award). To date 120,000 books of stamps have been gained, or 144m. stamps. The 100,000th book was won by a miner, John Lowe of Annesley Colliery, Notts., and he was presented with an extra 100,000 stamps by Coal Board chairman Derek Ezra in London yesterday.

P.J.

Hardware fights back

AGAINST a background of furore in the trade over the Argos eruption into the market, the British Hardware Federation is starting to organise joint operations among the 6,500 members. It is a move that is rarely made by a trade organisation and comes after most other industries.

Some 53 per cent. of hardware sales — the combined turnover of Federation members is £220m. — is still handled by independent retailers and there is no really national chain, although this is a changing scene. The new move will be small beer to begin with but is the forerunner of other joint activities. And it could lead to bulk buying along the lines of the voluntary groups of grocers.

The first scheme will get going in October. It comprises a dozen brand leader goods of the Christmas present variety which will be advertised in local papers, on leaflets and in the stores. Altogether 300 stores will be taking part. The plans follow an earlier effort at combined marketing by 11 dealer-owned wholesale companies under the name Combined Hardware.

P.J.

Travel advertising, the theme changes

BY ANTONY THORNCROFT

AS THE advertising agents trickle back from holiday those with tour operator clients may be returning home with less enthusiasm than most for a travel account can be more trouble than it is worth.

As one agency head, who has had trouble with his advertising client (one of the big five operators) says, "The package tour companies are used to screwing foreign hotels to get the lowest prices; they put out the printing order for their catalogues each year so that they can pick up the lowest quotation from some gullible printer who imagines he will keep the contract, and they also try to get their advertising on the cheap."

In addition a travel account is a difficult advertising proposition. For some time all the effort was concentrated in the few months around the turn of the year when the tour operators tried to pile in the bookings.

The seasonal nature of holiday advertising is changing as the companies try to build up winter and short-stay vacations, but still most of the advertising takes place in the period just after Christmas, and into the first two weeks of January. It is then that the TV companies offer their special facilities for holiday advertising.

The television contractors have developed a package — and the natural competitiveness of the industry has done the rest. Last winter only Cunard of the big holiday companies was not on the box. The tour operators, foreign tourist boards, domestic resorts and transport companies spent over £1.5 million during the main five weeks promotional period. This was a record.

Apart from the major seasonal burst, television is also being used nearer the holiday season to try to fill planes and hotels that are under-booked. Commercial radio will also be tried for this purpose when it arrives in October as a relatively inexpensive back-up medium to the main advertising effort on television and the Press.

But although travel companies are impressed with the effectiveness of television advertising, they are increasingly conscious that the real key to their marketing success is staying friendly with the travel agents. It was Clarksons that tried to appeal direct to the consumers over the head of the agents and it was not a happy precedent. It is noticeable that many advertisers give the travel agent a plug on the screens and the biggest, Thomsons (along with BOAC) tends to avoid the special Sun Spot breaks in favour of separate advertisements where it stresses the travel agent as the intermediary in booking a holiday.

Thomsons is the leading British tour operator with over 20 per cent. of the market; it is also the heaviest advertiser, with an annual budget of £1m. It has proved that it is possible to buy custom through costly promotional campaigns. It has always been the innovator in the industry. It was the first to use television advertising in a big way because, through agency Leo Burnett, it realised that television could convey an image. Advertising swung away from the purely factual saying "this is the hotel and the place and this is what it will cost you," to advertising which stresses the competence and knowledge of the tour operators.

The holiday advertisements of only three years ago would seem very stilted and unsubtle compared with the beautifully filmed atmospheric commercials of today which do not get bogged down with specifics but offer a nice dream. It is the soft sell, compared with the brochure-type of advertising. Once a potential customer has been hooked on a particular operator's fantasy then it is up to the agent and the brochure to settle the details like booking procedures.

Deep-grained suspicion

In a way this makes the advertising agencies' task easier: in the old days it was difficult to reconcile the specifics of advertising a super hotel at a super place, on the one hand, with the other fact (which obsesses the travel operators in what they see as a price sensitive market) of the very low cost of the trip.

The tour operators have also been encouraged to use visual theme advertising because there is deep-grained suspicion of them, inspired by the stories of ruined holidays and half finished hotels that crop up every summer.

Television advertising has also been successful in building up some brand awareness among consumers of the differences between the operators. Thomsons, for example, which invests three quarters of its budget on television, has succeeded in switching up market, and this year Clarksons has been hoping to move in the same direction. This has never been a problem for Horizon which along with Cosmos and Global makes up the second layer of tour operators. (All told the "Big Five" handle over two thirds of the 72 million people who will leave the U.K. this year on a package tour.)

Theme advertising, half the budget on television, and year long advertising—these are the media innovations in the travel trade. Almost continuous advertising is necessary because the growth has virtually disappeared from the summer holiday period. However, the second holiday, either for winter sunshine or for skiing, still makes progress, and the travel companies now use TV in the summer or, more usefully, the press for short campaigns to sell special holidays.

For example skiing holidays are advertised in magazines with a large readership of young people, or in the cinemas with their predominantly young audience. The Press has the advantage that it can give the details and can also be used at short notice to capture those late bookings (sometimes at a discount) which the operators are reluctant to compete for but find themselves seeking as the public think twice about their annual trip overseas in a time of the declining pound. So television offers brand awareness and theme advertising, the Press aims at supplying hard facts and selling more specific holidays directed at minority interests, and the below-the-line effort concentrates on aiding the travel agent and getting the costly brochures (up to 30p each) distributed to the right people at the right time.

All told, enticing people to holiday abroad costs around £5m. in above-the-line advertising, which is not much for such a sizeable industry. And although the high number of cases of switched agencies in the past months is partly due to the operators' ingrained desire to get a better bargain, some of it springs from a desire to improve marketing methods. The old idea that travel advertising was best handled by specialist agencies is dying fast: now the search is on for imaginative agencies that can provide advertising that is different. A generally high standard of creativity is becoming more important than specialist knowledge.

COMPANY NEWS + COMMENT

British Rollmakers forecasts £1.54m.

THE BOARD of British Rollmakers Corporation is looking forward to results in the second half of 1973 at least as good as the pre-tax profit of £769,375 now reported for the 26 weeks to June 30, 1973.

For the corresponding half year of 1972 a pre-tax profit of £443,375 was reported and for the full previous year, profit was £1.3m.

An interim dividend of 3.5 per cent. net is declared, equal to 5 per cent. gross (4½ per cent.). The previous total was 12.6 per cent.

	26 wks 1973 £	26 wks 1972 £
Turnover	6,721,000	5,291,000
Rollmaking division	4,560,000	3,474,000
Machine tool	2,161,000	1,819,000
Trading profit	699,000	421,000
Rollmaking division	485,000	262,000
Machine tool	214,000	159,000
Interest & sundry inc.	31,000	33,000
Making	730,000	454,000
Interest	10,625	10,625
Profit before tax	769,375	443,375
Estimated tax	373,000	178,000
Net profit	396,375	265,375
Minorities	10,000	9,000
Debenture reserve	10,000	10,000
Preference dividends	2,270	11,515
Attributable	365,105	234,360
Depreciation	240,000	155,000

The directors state that the improvement in turnover in the roll division achieved in the second half of 1972 has continued into 1973. The division's profits are up by £223,000 compared with the corresponding period of 1972. With orders both home and export at a very high level a satisfactory second half is expected.

The trend in the machine tool equipment division has been much the same and the final profit, which includes a £32,000 recovery from Rolls-Royce, is £55,000 higher than in the corresponding period of 1972. Turnover has now reached a record level.

Margins, however, in both divisions have reduced due to increased costs and it has been necessary to raise selling prices within permitted limits in order to maintain the position in the second half year, they state.

A report on the group's freehold properties states that on a going concern basis the value is £8.56m. and current values in the open market are £5.74m. These valuations compare with a book written down figure of a little under £2.5m.

The directors state that the order position is highly satisfactory, and they are confident that the group has a healthy and expanding future.

Davy International has a substantial interest in the company.

See Lex

INDEX TO COMPANY HIGHLIGHTS

Optimism at Powell Duffryn

GROUP PROFITS for the first four months of the current year of Powell Duffryn Group were "satisfactorily ahead" of the July position last year, chairman, Sir Alec Ogilvie, reported yesterday.

Sir Alec was speaking at the annual meeting in London. He warned, however, that there were "two shadows on the scene." The first was inevitably a general air of uncertainty in the country over the possible contents of and reactions to Phase Three, and secondly was that fulfilment of the engineering divisions' good order books could be made difficult by the growing delays in deliveries from suppliers of materials and components.

"Nevertheless, in regard to the year as a whole I remain optimistic," said Sir Alec.

Jentique exceeds £0.74m.

ON A TURNOVER up from £3.97m. to £5.12m., group pre-tax profit of Jentique (Holdings) increased from £541,417 to £747,567 for the year to June 30, 1973, after £367,240 (£261,940) for the first half.

And reflecting additional capacity coming "on stream" backed by "excellent order books," the directors are confident of further volume growth during the current year.

The gross dividend is effectively raised from 0.6166p to 0.6475p—the final is 0.26658p net, equal to 0.38083p gross.

	1972-73 £	1971-72 £
Turnover*	5,120,201	3,966,679
Profit before tax	747,567	541,417
Taxation	326,832	216,622
Net profit	420,735	324,795
Dividends	140,778	162,800
Scrip issue expenses	4,278	—
Forward	616,341	697,015

* Including export sales £310,004 (£217,553).

The profit division was 62.6 per cent. clocks, 32.3 per cent. furniture, and 5.1 per cent. interest on short terms deposits.

● comment

Jentique has put up a very consistent performance over the past financial year: turnover growth over the two half years has been 28 per cent.; 30 per cent., profits growth 40 per cent.; 36 per cent. Both clocks and furniture have done well, though the growth in exports (up 44 per cent.) have been of particular help to the clock side which is starting to benefit from Britain's EEC membership. The current year has started in fine style, backed by capacity increases—£¼m. was spent last year and considerably more is to be allocated in 1973-74—and price increases of 7½ per cent. and 10 per cent. respectively on clocks and furniture which came into effect in May. And with the group experiencing a levelling off of raw material price rises and availability apparently no problem, the shares at 16p, on a net p/e of 11, should have no trouble in holding their level.

Moderna

With satisfactory order books and sales to date showing an increase of almost 25 per cent., Mr. G. Meredith, chairman of Moderna (Witney), blanket manufacturers, looks forward to the outcome of the current year with confidence.

He reports that the current year has started with a despatch level "unprecedented in the company's history."

He adds that the balance-sheet of the group and the profits achieved form a platform for future expansion. Management is alert to any opportunities which arise, both externally and internally, provided such opportunities show a reasonable return on capital and effort employed, he assures.

As reported on July 19, the group made a record pre-tax profit of £209,098 for the year to April 30, 1973, compared with £78,234 the previous year. Dividends totalled 15.7143 per cent. gross (15 per cent.). At the time of the one-for-one rights issue in January, 1973, the directors forecast profits of £150,000.

Nu-Swift confident of growth

First half 1973 group pre-tax profit of Nu-Swift Industries decreased from £364,000 to £312,500, but the directors confidently forecast the year's figure in excess of the £736,413 for 1972.

Turnover for the six months was down from £1,997,027 to £1,947,651. The order intake was a record—export orders secured increased by 31.1 per cent. and home market orders by 11.4 per cent.

Four weeks' industrial dispute affected production and delayed dispatches to all markets; but sales were not affected. The result has been that at end June the unexecuted order books reached a record £660,143 (£174,743).

Full production recommenced in late May, and delivery of exports is again in line with scheduled delivery dates, the directors state.

An interim dividend of 8.75 per cent. net is declared, equivalent to 12.5 per cent. gross (12 per cent. adjusted for a scrip issue). The 1972 total was equal to 31.5 per cent.

● comment

Nu-Swift fell 5½p to 29½p last night, but that looks to be too snap a judgment on a group with a proven growth record and an order book up nearly four times in the 12-months to June. Some raw material costs are a problem—copper and brass notably—but the new multi-purpose extinguisher now accounts for 50 per cent. of the sales mix (up from a quarter 18-months ago), production is apparently accelerating along with demand, and a bumper current half could mean something close to £840,000 pre-tax for the year. Pinpointing prospective earnings at 2.1p means a net p/e of just 14.

Astra turns in £0.12m.—10% scrip

After higher bank interest of £74,447 (£15,091) profit, before tax, of Astra Securities was £123,601 for the year to April 30, 1973, compared with £211,752 previously. Turnover advanced from £2.68m. to £4.65m.

As stated in the interim report, no dividend is being recommended for the year, retentions being utilised for the investment programme. It is anticipated that following this year of consolidation some payment can be resumed. A total of 19 per cent. was paid last year.

A one-for-ten scrip issue is proposed.

	1973 £	1972 £
Turnover	4,650,028	2,679,518
Bank interest	74,447	15,091
Operating profit	123,601	211,752
Taxation	47,304	73,725
Extra-ordinary credit	17,023	*29,386
Dividend	Nil	104,120
Minorities	Nil	6,152
Retained	59,274	55,081

* Debit.

Costs incurred in reorganising the group are now at an end or are provided in the 1973 accounts, the directors state.

A major reconstruction of properties aimed at maximising the efficiency of activities will also add a substantial amount to their values. This revaluation will be included in the accounts to 1974.

The directors state that orders in hand and levels of activity being experienced should make the profits for the year to April, 1974, more reasonable in relation to the turnover.

Chairman is Mr. D. G. Dukes.

● comment

Astra has changed its spots somewhat since the 1971-72 year end so the latest results are not strictly comparable; the investment dealing company has been run down while the other companies have been housed under two divisions, metals and electrical engineering. This reorganisation entailed some factory moves which in turn disrupted production, swelled bank borrowing and depressed profits. The changes are now being reflected at the profit level—two lossmakers accounting for £110,000 are now out of the red—while reductions in stock and efforts to collect debts more quickly are helping to cut borrowings. So, with many of its problems already out of the way, Astra should have a better trading year in 1973-74—which is just the sort of tonic the shares needed on a net 16.8 p/e at 19p, some 39 per cent. off the 1973 high.

Regional Properties policy

THE EFFORTS of improving the quality of the portfolio and the acquisition of prime development sites, carried out in the past year, will be continued in the future, chairman of Regional Properties Mr. Bernard Sutton tells members.

The group, therefore, should be well cushioned against all but the most severe restrictions, he says.

Summarising the new policies the chairman draws attention to the redirection of emphasis of the portfolio away from residential into commercial property; initiating a programme of commercial development, in addition to acquiring the freeholds in properties where leasehold interests are held.

These policies are now well under way and Mr. Sutton reports good progress.

As reported on July 20, net profit for the year ended March 31, 1973 fell from £496,547 to £369,097. The total dividend is effectively raised from 8.66 per cent. to 9 per cent.

Referring to the current development programme, the chairman says this amounts to £45m. "We shall continue to add to this programme as suitable opportunities arise," he says.

On finance, the chairman says the group is well positioned to carry through its current development and modernisation programme and is also well placed to raise considerable further finance as requirements become projected.

Some £14.1m. was raised by residential sales and arrangements have been made to borrow £14m. on a five-year basis. Terms have also been agreed in principle for further £10m. long-term mortgage funds.

Regarding revaluations of portfolio, Mr. Sutton says it is intended to obtain this every two years, the next being in March next year.

Meeting, Dorchester Hotel, W., October 1, noon.

Chairman's statement Page 16

Low and Bonar up at midway

SUBJECT to certain factors and after allowing for further Flotex losses, a broad review by the directors of Low & Bonar suggests net attributable earnings in the second half very similar to the £749,000 just achieved for the first.

For the corresponding half year earnings were £722,000 and for the full previous year £1.62m. At the pre-tax level, profits are up from £1.62m. to £1.73m. The figure for the year 1971-72 was £3.58m.

An interim dividend of 1.75p net is declared, equal to 2.5p gross (same). The previous total was 10.5p.

	Six months 1973 £	1972 £
Group sales	19,573	17,872
Group profit	2,056	1,911
Depreciation	555	454
Associated income	233	163
Profit before tax	1,734	1,620
Taxation	808	755
Net profit	926	865
Minorities	177	143
Leaving	749	722

The directors state that during the period the group sold 26⅔ per cent. of the shares in their Zambian subsidiaries. With the buyers having participation in earnings as from December 1, 1972.

Group operations have, with one exception, come fully up to earlier expectations—in Canada they were exceeded partly due to a reduction in Canadian taxation on manufacturing companies.

The one exception the directors state has been in the new electrostatic flocking project, Flotex. Here teething troubles have proved longer enduring than anticipated. The consequent interruptions to production have resulted in losses for the six months being on the same scale of those in the second half of 1972. Progress is being made, they state, but it is now clear that the losses which will have to be absorbed from the initial stages of this project during 1973 as a whole, will, largely on account of the heavier incidence of depreciation be substantially higher than those in 1972. It follows that the break through into profitability must inevitably be delayed.

The current economic situation and the general inflationary and monetary malaise make it difficult to predict the final outturn of the second half they state.

Principal activities includes textiles, packaging and engineering.

● comment

Low and Bonar's profits are 7 per cent. ahead of pre-tax after six months, but the general trend is apparently still very dull. The good news is that Canada—which provided a third of profits last year—is back on an uptrend, which leaves Flotex as the only laggard in the group. Here the good news ends rather abruptly. Earlier this year it looked as if 1974 would see Flotex back in the black, but it may now be prudent to change the date to 1975. Meantime, the support at 165p is some solid net worth and a yield of 6.4 per cent.

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Alliance and Dublin Gas Int.	5	Oct. 10	5	—	10
Aquis Securities	8.33(k)	Oct. 12	7	14.33	13
Bucknall Trust	3.5§	Sept. 28	5	8	8
British Rollmakers ...int.	5(g)	Nov. 12	4.5	—	12.6
H. Brammer ...int.	7§	Jan. 4	10	—	24.45
Hindson Print	4.3(o)†	—	4	6.3	6
Jentique	0.38(m)†	Nov. 20	0.35*	0.65	0.62*
Johannesburg Consl.	70c	Oct. 5	60c	100c	90c
Lothian Trust	0.62(j)†	Oct. 5	0.75	1.25	1.37
Low and Bonar	1.73§†	Dec. 14	2.5	—	10.5
Meat Trade Suppliers	6.43(h)†	—	6.25	6.43	6.25
MPI ...int.	7.5(n)	Nov. 16	—	—	10
Nu-Swift ...int.	12.5(p)	Jan. 5	12*	—	31.5*
Pearl Assurance ...int.	5†(f)	Jan. 1	2.5	—	11.81
Reynards (Excavations) int.	5(g)	Dec. 4	Nil	—	Nil
Slough Estates	0.58§†	Oct. 18	0.83*	—	2.18*
Staplegreen Insurance	11.73(b)†	—	11(c)	15.23	14.5(c)
Tremletts	4.4(d)	—	5	8.4	10(e)
Wingate Invest.	1.26§†	Oct. 24	1.8	3	3
William Nash ...int.	3.5§	—	5	—	7

* Equivalent after allowing for scrip issue. † Pence per share. ‡ On capital increased by rights and/or acquisition issue. § Net equal to last year's gross. (a) Corrected. (b) Gross of 8.2075p. (c) Included 1p bonus. (d) Gross of 3.08 per cent. (e) For 15 months. (f) Gross of 3.5p. (g) Gross of 3.5 per cent. (h) Gross of 4.5p. (j) Gross of 0.4375p. (k) Gross of 0.29162p. (m) Gross of 0.26658p. (n) Gross of 5.25 per cent. (o) Gross of 3.01p. (p) Gross of 8.75 per cent.

First half advance by MPI

Taxable profit of MPI, formerly Musical and Plastic Industries, advanced from £98,093 to £155,869 on the 26 weeks ended June 30, 1973, and on interim dividend of 7.5 per cent. gross—5.25 per cent. net—as declared.

For 1972 there was a single 10 per cent. paid from profit of £229,466, before tax.

Chairman Mr. J. A. Cochrane, says that pending publication of the Stage Three counter inflation measures, the Treasury is unable to indicate whether any payment for 1973 over 10½ per cent. will be permitted.

Turnover for the six months at £1.6m. (£1.09m.) comprised musical £1.29m. (£1.09m.) and funeral £0.31m. (nil).

Since the beginning of the second half two acquisitions have been made in the funeral division.

	Half-year 1973 £	1972 £
Turnover	1,598,936	1,095,571
Profit	169,987	102,439
Bank interest	2,326	4,341
Loan interest	11,802	—
Profit before taxation	155,869	98,093
Taxation	74,000	36,000
Net profit	81,869	62,093

● comment

In order to assess MPI's first-half profit performance, it is necessary to strip out the contribution from the Chappell acquisition; centralised charges for the group confuse the issue, but it would seem that organic growth has been around 10 per cent. on a sales rise of 18 per cent. The group reckons that the main growth area is still the musical instruments side, and profitability is now on the uptrend thanks to volume gains. The funeral division is expected to grow only via acquisitions, and a number are in the pipeline in addition to the latest two; as things stand at the moment, annual profits from this source are running at roughly £120,000. Assuming that the current rate of progress is maintained, annualised profits ought to be around £340,000, which puts the shares at 16½p on a fully-diluted prospective (net) p/e of 10½—a rating that seems appropriate for the time being.

EPIC properties worth £28m.

It is the directors' opinion that at April 30, 1973, group properties of the Estates Property Investment Company had an open market value of not less than £11m. over the £17.23m. book value states Mr. A. R. Perry, chairman.

With many of the properties at present uncharged they are satisfied that the group has sufficient finance for its immediate developments, he adds.

Looking ahead, he says further Continental sites, particularly for industrial development, are currently being investigated and suitable sites for industrial and commercial development in the U.K. are continually being considered.

As reported on August 9 net property income for the year to April 30, 1973, was £1.27m. (£1.22m.) with a dividend of 3.54375p (3.375p) per 25p share.

Meeting, Great Eastern Hotel, E.C., September 21 at 12.15 p.m.

Chairman's statement Page 8

Johnson Matthey good first quarter

Pre-tax profit of Johnson Matthey and Co., precious metal refiners and chemical manufacturers, metal fabricators, bankers, ceramic colour and pigment manufacturers and decorative transfer producers, almost doubled from £1,664,000 to £3,175,000 for the three months to June 30, 1973.

In July the directors said they expected the current year to be good and had no reason to believe that their expectations would not be realised.

Pre-tax profit of £10,942,000 was turned in for the year to March 31, 1973, on which dividends totalling 13.125 per cent. gross were declared.

Invoiced sales for the three months, excluding Johnson Matthey Bankers, were £55,618,000 (£38,575,000).

Precious metals stocks are valued at base prices. If market prices had been used, the amount on the balance-sheet would have been higher by £9,507,000 (1972 higher by £2,333,000).

Profit before tax was struck after debenture and other net interest of £237,000 (£350,000) and depreciation £283,000 (£250,000).

	Three months 1973 £000	1972 £000
Profit before tax	3,175	1,664
Taxation	1,419	752
Net profit	1,754	912
Minorities	18	10
Retained	1,736	902
Fixed assets	13,762	13,175
Investments	8,161	3,070
Net current assets	34,829	43,975
Total assets	54,772	62,225

See Lex

VAVASSEUR NORTH AMERICAN

Vavasseur North American Trust has made its first distribution amounting to 0.3p per unit (0.428p with the tax credit added). During the accounting period from January 22 to July 14, 1973, the offer price fell by 6 per cent. compared with a drop of 13.04 per cent. in the Dow Jones Industrial Index. This satisfactory relative performance is largely due to the policy of remaining substantially liquid. During recent weeks, however, the cash element has been reduced to 40 per cent. of the fund's value, reflecting the Managers' belief that the U.S. market is oversold.

Wingate holds 3p: scrip

AFTER substantially increased interest paid of £684,200 against £211,303 pre-tax revenue of Wingate Investments dropped from £222,415 to £78,464 for the year to March 31, 1973. Earnings are given as 5p (4.5p).

Rents received jumped from £564,754 to £1,232,483.

Results reflect the acquisition during the year of Fore Street Investments and St. Alphage Investment Company.

An unchanged final dividend of 1.8p gross—1.26p net is proposed to hold the total at 3p per share. A one-for-one scrip is proposed.

	1972-73 £	19[illegible]
Gross rents	1,232,483	[illegible]
Profits	762,684	[illegible]
Interest	684,200	[illegible]
Pre-tax revenue	78,464	[illegible]
Taxation*	72,235	[illegible]
Net revenue	6,229	[illegible]
Minorities	4,044	[illegible]
Available	315,733	[illegible]
Dividends	173,448	[illegible]

* Including £37,896 (nil) ACT recoverable.

It is proposed to seek approval to permit unrealised revaluation surpluses to be treated as profits available for distribution by way of dividend so far as necessary to make good loss of revenue resulting from interest (and other outgoings) on properties and investments in property holding companies acquired for investment and revenue potential which have low income pending rent reviews or reversions.

Meeting, October 23.

Tremletts tops £1.77m.

AGAINST AN upgraded forecast of in excess of £1.5m., group pre-tax profit of Tremletts increased to £1.77m. for the year to March 31, 1973, compared with £0.69m. for the previous 15 months, after £0.66m. (£0.25m.) for the first six months.

A final dividend of 3.08 per cent. net, equal to 4.4 per cent. gross, makes a maximum permitted 8.4 per cent. total gross, compared with 10 per cent. for 15 months. Basic earnings were 15.97p per 25p share, or 14.71p (9.66p on an annualised basis) fully diluted.

The policy of expansion by internal means, coupled with the acquisition of companies, will benefit equity holders over a period of time and will ensure that growth of attributable earnings and assets continues, says the chairman, Mr. J. M. Pike in his annual statement.

Although the print and packaging division has been disposed of, four more engineering companies (The Reiss Engineering Company, F. A. Standen and Sons Metadalic, and Industrial Impregnations) have been acquired.

Holders' funds have expanded to £8.56m. and it is intended to make full use of existing cash resources and available borrowing facilities in order to increase growth of assets and earnings, says Mr. Pike.

Regarding the disposal of subsidiaries, the chairman says the sales in each instance have been in the interests not only of shareholders but also of employees and customers. Moreover, Tremletts' management has produced the increased growth which has enabled the companies concerned to be sold as viable and profitable enterprises.

At the time of reaching agreement for the sale of the print and packaging division the Stock Exchange Listing was temporarily suspended, Mr. Pike understands that publication of the accounts fulfils part of the requirements for resumption.

	Year 1972-73 £000	15 mths. 1971-72 £000
Turnover	29,334	8,123
Profit before tax	1,772	687
Taxation	682	260
Minority interests	101	26
Net attributable	989	407
Extra-ordinary credits	52	*11
Dividends	113	113
Retained	928	277

* Debits.

A breakdown of turnover and profit (£000s omitted) shows engineering £10,325 (£5,045) and £1,196 (£661), print and packaging £19,009 (£3,078) and £1,408 (£180). Finance and administration absorbed £832 (£154).

The total value of goods exported during the year was £5,979,000 (15 months £3,267,000).

Meeting, Connaught Rooms, W.C., September 21, noon.

The subsidiary, Melbray Group, reports a turnover up from £21.89m. to £22.58m. and a profit of £916,000 (£17,000), subject to tax of £367,000 (credit £16,000) for the year to March 31, 1973. Dividends take £106,000 (£282,000) and there is a surplus of £444,000 (deficiency £919,000) transferred to reserves.

Engineering contributed (£000s omitted) £3,321 (£3,416) to turnover and £174 to profit (deficit £468); and print and packaging £19,009 (£18,471) and £1,[illegible] (£1,077) profit.

Meeting, 19-21 Old Bond Street, W., September 21 at 9.30 a.m.

ISSUE NEWS

ROSEDALE RIGHTS RESULT

Rosedale Industries announces that in respect of its recent rights issue, acceptances were received for 846,172 shares, including the full entitlement of 701,151 shares subscribed for by Heenan Beddow. Excess applications for 2,[illegible] shares have been allotted in full and the balance of 392,182 shares will be taken up by the underwriters.

TOWER ASSETS

The directors of Tower Assets announce that in connection with the recent rights issue of £[illegible] 10 per cent. Convertible Stock, allotments have been accepted in respect of £3,250,547 of stock, and applications for additional stock have been received in respect of £2,258,538 of stock.

Allotments in respect of applications for additional stock have been made as follows: Up to £[illegible]—In full; over £500—about [illegible] per cent. with minimum allotment of £500.

W. & J. GLOSSOP

W. and J. Glossop intends to make a scrip issue on the basis of one for two. The company also proposes to repay at par the 6 per cent. Cumulative Preference shares.

RESULTS AND ACCOUNTS IN BRIEF

PHILLIPS PATENTS (HOLDINGS)—Dividend of 0.5p net equal to 0.71p gross for year to March 3, 1973 (against 1.25p equivalent). Turnover £2,376,603 (£2,326,840). Net profit £32,087 (£67,713). After tax credit £6,941 (charge £19,608). Earnings per 25p share 2.1p (2.3p).

HOUSE PROPERTY COMPANY OF LONDON—Profit half-year to June 30, 1973, £39,768 (£15,205), before tax nil (£6,118). During period seven properties sold and two long leases of flats granted. Seven freehold ground rents disposed of and two ground rents created, reducing portfolio by £14,990—Capital surplus arising £52,517 (£39,073). Development at Windsor sold and profits included in figures. Two-for-three scrip issue already announced.

MADEN AND IRELAND GROUP (footwear manufacturers and motor retailers)—Net profit half-year to May 26, 1973, £3,257 (£10,310), after tax of £2,475 (£6,871). No interim dividend (no dividend for year).

NEW HIBERNIA INVESTMENT TRUST—Net asset per Ordinary share at August 8, 1973, was 63p. If allowance is made for full conversion of loan stock, net asset figure would be 59p.

GIBBS AND DANDY (builders' merchants and ironmongers)—Group turnover £2,398,100 (£2,011,603) for half year to June 30, 1973. Profit £122,864 (£94,586). Debenture interest £10,710 (£10,710). Preference dividends £1,827 (£2,625). Normal flow of business early in year distorted by exceptional consumer spending prior to introduction of VAT and, as expected, was not maintained in following months. In recent months it has become evident that many building material producers are having difficulty in meeting current demands and such shortages could have an effect upon the construction industry generally. Despite this uncertainty, unless there are adverse changes in the national economic climate, chairman says 1973 will be yet another successful year.

VIEW FORTH INVESTMENT TRUST—Final dividend year to June 30, 1973, of 0.7875p net per 25p share, making 1.1375p net equivalent to 6½ per cent. gross (6 per cent.). Total revenue £95,728 (£90,026). Interest, other charges and tax £40,073 (£39,965). Available to Ordinary £55,655 (£50,561). Dividends £34,292 (£42,147) and shareholders' tax credit £14,697 (nil). Forward £6,666 (£8,414). Net asset value per share, after deducting prior charges at estimated market value, 53.7p (57.4p).

GROUP INVESTORS—Results for year ended June 30, 1973 already reported with net asset values. Investments at valuation £7.6m. (£7.16m.). Quoted, at market value, in U.K. £4.94m. (£4.72m.). Abroad £2.68m. (£2.35m.). Unquoted (at directors' valuation), £80,462 (£92,948). Chairman says certainly in both North America and U.K. there are special problems. Dividend restrictions, in particular, diminish relative attractions of equities against fixed interest securities, and at home there is prospect of a general election. Nevertheless, there is fair chance that outlook will have improved by next year. Meeting, 2, St. Mary Axe, E.C., September 19, at 2.30 p.m.

WOLVERHAMPTON RACECOURSE CO.—Dividend for 1972 was 7 per cent. net equal to 10 per cent. gross (same). Net profit, after tax, £11,308 (£21,234). Available £31,365 (£26,462). Dividend £4,460 (£6,400). Forward £26,883 (£20,062). Fixed assets £161,804 (£142,188). Net current liabilities £1,634 (£11,139 assets). Meeting, Racecourse, September 17, noon.

MIDLAND TRUST—Results year to June 30, 1973, reported August 2 with scrip proposed and net asset value. Quoted investments £1.84m. (£1.51m.) value £4.1m. (£4.42m.) and unquoted £11,000 (£3,700). Scrip issue will give shares trustee status. Meeting, Birmingham, September 18, at 12.30 p.m.

LAGANVALE ESTATE—Final dividend for year ended April 30, 1973 was 3.36 per cent. net equivalent to 4.66 per cent. making total 8.66 per cent. gross (8.25 per cent. equivalent). Turnover 733,237 (£435,268). Profit £30,385 (£33,270), tax £19,809 (£14,672). Dividends £8,307 (£7,248) after waivers £7,990 (£8,885). Forward £35,239 (£29,449). Fixed assets £707,580 (£809,836). Net current assets £178,549 (£140,491). Meeting, Clive Hotel, N.W., September 21, noon.

CITY AND COUNTRY PROPERTIES (subsidiary of Daejan Holdings)—Final dividend £170,000 gross payable to parent making £256,884 (£191,130) for 18 months to March 31, 1973. Rents, etc., £3.64m. (£2.36m.) less outgoings £1.36m. (£0.77m.). Profit £546,821 (£434,890) before tax £238,000 (£209,473). Minorities £17,472 (£8,919). Attributable £291,349 (£216,498). Retained £119,160 (£151,782). Fixed assets £25.74m. (£18.84m.). Current assets £6.91m. (£6.04m.) and liabilities £6.65m. (£7.33m.).

MARAWAN (JAVA) RUBBER PLANTATIONS—Investments in Indonesia £94,919 (£94,919), representing holding in N.V. Tiorah mas Kepoetren. Current assets £3,708 (£3,311) and liabilities £9,974 (£9,125). Meeting, Three Quays, E.C., September 14, noon.

SAMUEL HEATH AND SONS (manufacture and marketing of wide range of brass and other metal products). As known dividend 3.15p for year ended March 31, 1973 (3p equivalent). Turnover £951,512 (£723,320). Profit £119,741 (£46,345). Tax £47,305 (£17,564). Dividends £9,460 (£12,450). Retained £62,976 (£16,331). Fixed assets £130,446 (£111,021). Current assets £415,380 (£349,787) and liabilities £144,239 (£125,696). Meeting, Birmingham, September 17, noon.

SANTA ROSA MILLING CO (in voluntary liquidation)—Balances at bank on June 30, 1973 £1,467 (£2,264). Net assets £866 (£1,807). To date 60.25p distributed to shareholders. Final liquidation delayed in view of tax claim against Chilean Government. Even if claim successful sterling proceeds may not allow another distribution. Meeting 40-66, Queen Victoria St., E.C., Sept. 18 at 2.30 p.m.

DUNBEE-COMBEX-MARX — Annual meeting fixed for September 18 now postponed until October 8 because of problem at printing works.

BUCKNALL TRUST—Final dividend 3.5 per cent. net equal to 5 per cent. gross, making 8 per cent. year to March 31, 1973 (same). Group net profit £17,050 (£20,136) after tax £5,822 (£8,668).

LOTHIAN INVESTMENT TRUST—Final dividend 0.62p, or 0.4375p net making 1.25p year ended June 30, 1973 (1.375p). Net Profit £16,496 (£26,024) after tax £9,517 (£1,265) earnings per share 0.97p (1.53p). Profits and dividends not directly comparable due to changes in tax system. Net asset value per share—deducting debenture stock at par—45.6p (44.8p).

هكذا من الأصل

The decision to derate four U.S. power stations on safety grounds could affect Britain's choice of reactor design. David Fishlock, Science Editor, explains

A U.S. lesson in nuclear safety

EARLIER THIS year Mr. E. C. (Bill) Williams, chief of the Government's nuclear installations inspectorate, steadfastly resisted every effort by a Parliamentary Select Committee to commit himself to a personal view about the safety of different types of nuclear reactor. There were safety problems to be resolved, said Williams, "for any and every type of reactor, including our own." As chief inspector, he could take no view until he received an application for a licence to build a particular reactor on a specific site. He had received no application to build a light water reactor in Britain.

Here was the nub of the MPs' questions: was Britain likely to abandon its own lines of reactor development for a foreign design that promised to be simpler and cheaper to build? At the time they got little change from one of the shrewdest and most experienced scientists in Government service.

Derating

Last week, however, Williams received his first formal applications for licences to build light water reactors. The Central Electricity Generating Board responded to an invitation from the Department of Trade to apply for planning permission for any and every reactor type which it was still considering as its choice for its next reactor to buy. As a result, the DTI has received applications for approval in principle to build at Sizewell in Suffolk—where it already has the Government's consent to build 2,500MW of advanced gas cooled reactors (AGRs)—the same capacity of four further types of reactor. These are the boiling water reactor (BWR), the pressurised water reactor (PWR), the steam generating heavy water reactor (SGHWR) and the high-temperature reactor (HTR).

Hard on the heels of the CEGB's applications, however, comes news yesterday that the U.S. Atomic Energy Commission, which is responsible for nuclear approval and inspection, has placed restrictions on four big U.S. nuclear plants. These plants, with a design output totalling 2,600MW, must all be derated, by amounts that vary from 8 to 20 per cent. of their previously authorised maximum output. The type of reactor affected, moreover, is usually regarded as the more promising of the two types of light water reactor of interest to Britain, namely the BWR of U.S. General Electric.

Ironically, the derating has its origins in a problem first discovered two years ago in the rival PWR system. In 1971 the operators of the Beznau-1 PWR in Switzerland, built to Westinghouse Electric designs, found a serious flaw in some of the fuel after a fairly short spell of service.

At the time the trouble was dismissed as an isolated case of poor fuel manufacture. Then a year later, the same trouble was found in two bigger U.S. power stations, the 490 MW Ginna reactor and the 739 MW Robinson-2 reactor. This time it was taken very seriously indeed.

Nuclear fuel differs from any other kind of fuel in that it is itself a precision engineering component, manufactured to the engineering standards of the aircraft industry and the standards of purity of the drug industry. A fuel element must be capable of operating at the temperature and pressure of a nuclear reactor not for a few hours, as is the case with an aero-engine, but almost continuously for (typically) two or three years.

What apparently had been happening in these three reactors was that the heat and neutron bombardment had caused the fuel — pellets of uranium oxide — to shrink slightly. The pellets, stacked like Polo mints in long slender tubes, had slipped down the can, leaving a gap at the top (and sometimes elsewhere). What made the damage look so much worse was that the very high pressure outside the can, some 2,000 lbs per square inch, had squashed them in some places, leaving a very distorted fuel element. Distorted fuel can jam in a reactor causing grave problems for the operators.

Mr. E. C. Williams, chief inspector of nuclear installations; a chance now for an official safety verdict on light water reactors.

Fission

Subsequently it became clear that both Westinghouse and General Eelectric may have gone too far in one of their fuel developments. This was to produce a less dense, more porous fuel, capable of retaining more of the gaseous fission products released as the fuel "burns up." Build-up of pressure of these gases within the cans is the main limitation on the life of nuclear fuel. If the can should burst, the gas — which is highly radioactive — is released to contaminate the entire reactor.

Westinghouse, however, avoided further trouble because it had already taken the precaution of designing a more advanced fuel element, pressurised from within, to resist any crushing of its porous pellets until they had built up their own gas pressure from fission products. General Electric had not taken this step.

But both companies found themselves under increasingly severe criticism from the very vocal anti-nuclear factions in the U.S. These factions drew ammunition from the way the problems at Breznau had been concealed for a year, until trouble was uncovered in two U.S. reactors.

They soon managed to tie the fuel troubles to one of the favourite targets in light water reactor design, the emergency core cooling system. This is the system which, in the event of a major accident within a reactor would spring into action and keep the fuel cool, and keep the highly radioactive contents safely inside the cans.

Bombardment

In the BWR there are sprays above the fuel that act within 30 seconds of an accident. In the PWR emergency coolant is automatically squirted in from accumulators beneath the fuel. What has been most fiercely debated is whether these emergency core cooling systems could be depended upon to the extent the reactor vendors were claiming. They have never been tried out "in anger" at anything like the size now being ordered. Vendors (and regulatory agency too), it was claimed, were putting far too much faith in computer simulations of a critical safety feature.

If, it was argued, there were voids in the fuel where the pellets had shrunk, the can at such points — because of the greater neutron bombardment and worse heat conduction—would be hotter. If there were a major accident and a failure of the emergency core cooling system, such hot spots would be the weak link in the chain of safeguards.

The activities of the anti-nuclear factions reached a crescendo late in May, when Mr. Ralph Nader and Friends of the Earth jointly filed a suit against the U.S. Atomic Energy Commission, attempting to shut down 20 of the biggest U.S. nuclear stations. These were 12 PWRs and eight BWRs, chosen chiefly on the basis that there was not enough evidence that their emergency core cooling systems could be guaranteed to work if and when required. The petitioners based their case on carefully selected statements made over the years by safety experts of the U.S. AEC. They alleged that in authorising the stations to operate the agency was rejecting the advice of its own experts.

A month later the petition was dismissed by the courts. The judge told them bluntly that they could have intervened in the proceedings leading to the licensing of all 20 plants. This they had failed to do.

But Friends of the Earth was on stronger ground when, in mid-July, it demanded of the U.S. AEC an immediate derating of nine BWRs, including all eight cited in the petition, for the reason outlined above. All had been constructed by U.S. General Electric. The demand, based on testimony submitted by a senior safety official of the agency itself, claimed the agency had already admitted that the fuel problem increased the risk if these reactors were run at their full design output.

Calculations

The U.S. AEC reacted swiftly. Although it refused the demand for an emergency derating, it asked the operators of 10 General Electric BWRs to submit their own calculations of how any hot spots might get in the event of a major accident. Six stations were cleared for their previously authorised output, but four have been derated by up to 20 per cent.

Where does this U.S. action leave Britain's decision about whether to stay with a British-designed reactor or switch to a U.S.-type light water reactor? Bill Williams has already placed restrictions on the output of two generations of British reactors, of around 10 per cent., because of the risk of corrosion of steel components by the gas coolant. Inevitably such restrictions have increased the capital cost of these systems.

No-one can yet be sure how severe and therefore how costly restrictions will prove for the U.S. reactors. General Electric is emphatic that the restrictions are merely temporary ones, and that they will not apply to its latest (but less highly rated) design of reactor, the BWR/6.

But the U.S. AEC is working hard to create a new public image in which its promotional and regulatory functions are clearly divorced, and may not rush to relax its restrictions. If it should go so far as to demand a new design of denser fuel (or alternatively a stronger can) it could be two or three years before some reactors reach their full design output.

And there could be worse to come for the operators. Later this autumn the U.S. AEC is expected to answer criticisms of the whole emergency core cooling issue. This could lead to further derating, at least for the biggest reactors—up to 1,300MW—of both types now being built in the U.S.

Conservative

For Britain, where the idea of a switch to light water reactors has ample support both in industry and within the CEGB, the basic question must be the margin of cost advantage at which such a reactor is acceptable. A design could surely be reached conservative enough in its safety provisions to satisfy all but the lunatic fringe of the anti-nuclear factions. But if the margin is small, say a few per cent. of capital cost, the idea of abandoning British designs would be hard to accept politically.

If, on the other hand, a less conservative and thus cheaper design were approved, Britain runs the risk of importing readymade all the controversy that has raged in the U.S.

Labour News

Board challenged by dismissed docker

BY NOEL HOWELL, LABOUR REPORTER

Mr. Andrew Shute, the London lighterman whose decision to leave the Transport and General Workers' Union threatened a strike, has appealed against the decision of the London Dock Labour Board to permit his dismissal.

Mr. Shute's appeal—due to be heard by a four-man appeals tribunal in ten days' time—has at least put in abeyance the notice of dismissal given to him by his employer, Cory Lighterage, after the Labour Board's decision earlier this month.

If Mr. Shute fails in his appeal, a further four weeks' notice would have to be given by Cory who failed in repeated High Court moves to head off the TGWU strike threat.

Unless the tribunal—with two employee and two employer representatives is split, in which case an independent barrister would have to be brought in as chairman, the hearing on September 10 should provide a clear decision on Mr. Shute's future in the docks. There is no provision within the dock industry's machinery for a further appeal.

Ever since Mr. Shute's decision to quit the TGWU at the end of last year he has been at home on paid leave and separate proceedings by the lighterman for lost overtime earnings are due to be again heard in a private procedural meeting before the National Industrial Relations Court in October.

The London Dock Labour Board's decision that Mr. Shute was not employable in the face of the TGWU threat followed remarks by the Appeal Court that the Board should reconsider its earlier decision to oppose his dismissal and that Mr. Shute appeared to be "determined to make trouble."

The proceedings within the dock industry's own machinery to try to secure the dismissal of Mr. Shute and avoid a confrontation over the established union position in the docks may well be considered to be totally separate from the NIRC case. Any decision by the appeals tribunal over Mr. Shute's future on the dock register could at least put a limit on overtime compensation should the NIRC decide to award any.

Bailiffs have been asked to take possession of more than £2,800 worth of property belonging to the Amalgamated Union of Engineering Workers following the union's refusal to obey a Lambeth County Court order because of its policy of total opposition to the Industrial Relations Act.

The request has been made by solicitors acting for Mr. George Hill, a Southampton engineer, who was awarded the money as compensation by an industrial tribunal. The court order, issued over a fortnight ago, makes the award legally enforceable.

The bailiffs are expected to take property from the AUEW's headquarters in Peckham, South London. But the timing of their move is left to their discretion.

Dagenham stewards seek apology

BY OUR LABOUR REPORTER

OUTSPOKEN remarks in the U.S. by Mr. Henry Ford II on Tuesday about the quality of British-made Ford cars and his description of one of the four Ford Dagenham plants as the "cesspool of the world" drew an angry response from shop stewards yesterday.

Mr. Bernard Passingham, the convener of the Dagenham plant singled out by Mr. Ford — the body plant—said he was seeking a special works committee meeting and was looking for explanations from the company and apologies for the "cesspool" remark.

In his speech launching a new model in California, Mr. Ford had been careful to attribute the responsibility for any quality shortcomings with the management when comparing British and products with German counterparts.

The shop stewards at Dagenham said in a statement however that production in Germany is currently down on last year's level. Mr. Sid Harraway, the secretary of the Ford national conveners' committee, also said that British-built Ford cars were as good as anybody's "and we will not intend to be played off against fellow workers in Europe."

The shop stewards are also denying ever being approached over a possible transfer of the body plant which Mr. Ford said had been resisted by women employees at the plant.

The request for an apology for the "cesspool" remark is thought to have been referred to the Ford Central Office at Warley, Essex, for consideration.

ASLEF wants better offer to drivers

By Our Labour Reporter

THE EXECUTIVE of the Associated Society of Locomotive Engineers and Firemen yesterday agreed to press for improved proposals for re-structuring train drivers' pay.

ASLEF leaders are hoping for an improvement to-day on the current proposal of £5.05 a week increases over the next two and a half years to cover the absorption of bonus payments and the unsociable hours of train drivers and their extra responsibility at higher speeds.

The talks on train drivers' pay structure resume to-day and this afternoon the ASLEF executive will meet to review progress.

A number of the union's branches are protesting at the slow progress in the talks and if to-day's meeting fails to reach a solution ASLEF has agreed to press for a meeting of the railways staff national council to put the talks on a more formal footing in an attempt to speed up proceedings.

More Labour News Page 25

Official report strongly backs selective unit pricing

BY DAVID WALKER

SELECTIVE UNIT pricing, urged by some consumer organisations and already used by some food manufacturers and retailers on an experimental basis as a way of making value-for-money comparisons by shoppers easier, is given strong backing in an official report out to-day.

Under unit pricing, foodstuffs and other suitable goods are marked with the cost per ounce or whatever is the appropriate weight unit as well as with the full price, simplifying comparisons of the cost of like products in different pack sizes.

To-day's report, published in the Department of Trade and Industry magazine, Trade and Industry, reveals that the Government has been considering whether the practice should be made mandatory.

It follows a study by the DTI and the Ministry of Agriculture into the cases for and against unit pricing and the experience of other countries, set up by Sir Geoffrey Howe, Minister for Trade and Consumer Affairs, in order, he writes, "to provide a basis for an informed decision."

The report itself says that unit pricing "will always be a second-best alternative to packing in specified rounded quantities as a means of helping consumers to judge value for money."

At the same time, it does point out that some goods cannot easily be packed in standard quantities, making price comparisons very difficult. Here, it says, mandatory unit pricing could help to deal with the resulting problems and would be welcomed by consumers.

Enforcement

Moreover, the report suggests, provided it was made clear that any Government powers to require unit pricing would be used with discretion and for specified commodities only following full consultation with those involved, traders and manufacturers could be expected to agree and co-operate.

Methods of marking and the units to be used, the report stresses, would need to be defined clearly if the system were to work fully to the shopper's advantage, and adequate enforcement would be essential.

The report, nonetheless, queries how many shoppers would actually use the system. Surveys carried out here and overseas, it says, suggest that in shops where unit pricing is employed only one shopper in four notices the extra markings and only about one in 12 uses them in making a selection.

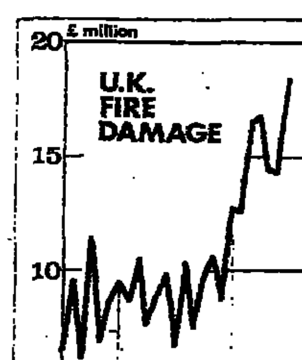
Mandatory unit pricing of all goods would be expensive, possibly putting prices up, the report states. With small retailers, it could not be done economically at all unless the marking were carried out by the supplier, producing a risk of the effective reintroduction of retail price maintenance.

There could be no justification, except possibly during the period of change-over to metric markings, for requiring unit pricing of the many goods which already have to be or voluntarily are packed in rounded quantities.

Fire damage up 71% at £105m. in seven months to July

BY MARTIN ROUTH

A LEAP of 71 per cent. in the cost of fire damage in Great Britain during the seven months January-July, 1973, compared with the same period last year, to £105.6m., was reported yesterday by the British Insurance Association.



Every month so far this year has seen much higher losses than the corresponding month last year, and it is probable that the trend will continue in August, taking into account the major disasters at the Isle of Man Summerland holiday centre and at Pwlheli, North Wales.

This massive increase was described by Mr. Aonghais Macdonald, chairman of the association, as alarming. "July is usually a fairly quiet month, but not so this year with 96 fires of over £10,000 against 65 in 1972.

"The seven largest, estimated between them to have cost over £5m., all occurred in buildings not protected by sprinkler installations," he said.

Mr. Macdonald described as significant the fact that of the nine fires during the month which occurred in sprinklered premises, only one exceeded £100,000.

He has called on the Central Fire Liaison Panel urgently to convene a meeting to discuss ways in which these "tragic disasters" can be reduced in number and intensity. The panel co-ordinates nationally the efforts of fire prevention organisations.

The largest fire of the month was at a Northern textile factory where damage estimated at £4m. was caused. There were also six incidents, each estimated at between £400,000 and £1.5m.

Fires continue to occur more frequently at places used by the public, like schools, hotels, and shops, but the BIA pointed out that the July figures did not include the Isle of Man disaster or the North Wales holiday centre outbreak, which happened earlier this month.

Fire damage in July is estimated at £18.4m.—nearly three times the £6.7m. recorded a year earlier.

Smokeless fuel plant destroyed

DAMAGE ESTIMATED at £500,000 was caused yesterday by a fire which destroyed a large part of a Rexco smokeless fuel plant at Thoresby Colliery, near Mansfield, Nottinghamshire.

Firemen had only just started fighting the blaze when an explosion ripped out the walls and roof of one building. Production was halted as a result of the fire but no one was injured.

Two-year-old tanker sold for "record £32m."

BY RAY DAFTER

A 285,000-TON oil tanker, built two years ago for about £10.2m., has been sold at a record price, reported to be between £32m. and £35m.

The supertanker, Rasmine Maersk, was sold by shipowner and builder A. P. Møller of Copenhagen. Last night it confirmed the sale to Liberian shipowners, Adele Navigation Corporation of Monrovia after a day of speculation on the ship sale markets in London and New York.

The ship, built at Møller's Odense yard, has been on charter contracts for the past two years, primarily trading between the Persian Gulf and Europe.

Møller would not confirm the selling price. It did confirm, however, that delivery would be in mid-September with the new owners taking over the ship on a charter-free basis.

The extremely high price reflects the record levels now being attained by owners in the charter market. These, in turn, have been caused by the demand of the U.S. for oil to fill its energy gap, the uncertainty of the Libyan situation and the general trend of oil companies having under-estimated demand.

The fact that the Rasmine Maersk is immediately available for trading in the open market has been a major factor behind this premium price.

Rediffusion discount stores

BY SANDY McLACHLAN

THE TV rental company Rediffusion is to open a number of discount stores selling consumer electronic goods.

The company, a subsidiary of British Electric Traction, already has something like 300 retail outlets whose main business is renting out television sets. These also sell other electrical appliances. This however will be the first venture in the discount field.

The discount arm of Rediffusion will be organised as an independent company under the name of Wisdom Warehouses, and will be a wholly-owned subsidiary.

The first discount centre is expected to be opened in the next three months. The initial aim will be to construct a network of six discount warehouses.

Plans to move into discounting have apparently been in the pipeline for some time but Rediffusion is not yet anxious to release full details of its programme in this field.

Currently the bulk of the company's profits is derived from TV rental and in the year to last March 80 per cent. of the £11.7m. pre-tax profit came from TV and radio sales and rentals together with the company's cable TV activities. Manufacturing, predominantly of electronic equipment, accounted for a further 10 per cent., while 8 per cent. came from overseas activities.

INQUIRY INTO STRANDING

The Department of Trade and Industry has ordered a public formal investigation into the stranding, on February 9 in the Pentland Firth, of the fishing vessel Ross Tern. The date and place of the inquiry will be announced later.

COMPANY NEWS + COMMENT

British Rollmakers forecasts £1.54m.

THE BOARD of British Rollmakers Corporation is looking forward to results in the second half of 1973 at least as good as the pre-tax profit of £769,375 now reported for the 26 weeks to June 30, 1973.

For the corresponding half year of 1972 a pre-tax profit of £443,375 was reported and for the full previous year, profit was £1.3m.

An interim dividend of 3.5 per cent. net is declared, equal to 5 per cent. gross (4½ per cent.). The previous total was 12.6 per cent.

	26 wks 1973 £	26 wks 1972 £
Turnover	6,721,000	5,293,000
Rollmaking division	4,560,000	3,474,000
Machine tool	2,161,000	1,819,000
Trading profit	699,000	421,000
Rollmaking division	485,000	262,000
Machine tool	214,000	159,000
Interest & sundry inc.	81,000	33,000
Making	780,000	454,000
Interest	10,625	10,625
Profit before tax	769,375	443,375
Estimated tax	375,000	178,000
Net profit	395,375	265,375
Minorities	10,000	9,000
Debenture reserve	10,000	10,000
Preference dividends	8,270	11,815
Attributable	368,105	234,560
Depreciation	340,000	328,000

The directors state that the improvement in turnover in the roll division achieved in the second half of 1972 has continued into 1973. The division's profits are up by £223,000 compared with the corresponding period of 1972. With orders both home and export at a very high level a satisfactory second half is expected.

The trend in the machine tool equipment division has been much the same and the final profit, which includes a £32,000 recovery from Rolls-Royce, is £55,000 higher than in the corresponding period of 1972. Turnover has now reached a record level.

Margins, however, in both divisions have reduced due to increased costs and it has been necessary to raise selling prices within permitted limits in order to maintain the position in the second half year, they state.

A report on the group's freehold properties states that on a going concern basis the value is £8.56m. and current values in the open market are £5.74m. These valuations compare with a book written down figure of a little under £2.5m.

The directors state that the order position is highly satisfactory, and they are confident that the group has a healthy and expanding future.

Davy International has a substantial interest in the company.

See Lex

INDEX TO COMPANY HIGHLIGHTS

Jentique exceeds £0.74m.

ON A TURNOVER up from £3.97m. to £5.12m., group pre-tax profit of Jentique (Holdings) increased from £541,417 to £747,567 for the year to June 30, 1973, after £367,240 (£261,940) for the first half.

And reflecting additional capacity coming "on stream" backed by "excellent order books," the directors are confident of further volume growth during the current year.

The gross dividend is effectively raised from 0.6166p to 0.6475p—the final is 0.26658p net, equal to 0.38083p gross.

	1972-73 £	1971-72 £
Turnover*	5,120,201	3,966,678
Profit before tax	747,567	541,417
Taxation	326,832	216,622
Net profit	420,735	324,795
Dividends	140,778	162,800
Scrip issue expenses	4,278	—
Forward	616,341	803,015

* Including export sales £310,004 (£217,553).

The profit division was 62.6 per cent. clocks, 32.3 per cent. furniture, and 5.1 per cent. interest on short terms deposits.

● **comment**

Jentique has put up a very consistent performance over the past financial year: turnover growth over the two half years has been 28 per cent.: 30 per cent., profits growth 40 per cent.: 36 per cent. Both clocks and furniture have done well, though the growth in exports (up 44 per cent.) have been of particular help to the clock side which is starting to benefit from Britain's EEC membership. The current year has started in fine style, backed by capacity increases—£¼m was spent last year and considerably more is to be allocated in 1973-74—and price increases of 7½ per cent. and 10 per cent. respectively on clocks and furniture which came into effect in May. And with the group experiencing a levelling off of raw material price rises and availability apparently no problem, the shares at 16p, on a net p/e of 11, should have no trouble in holding their level.

Optimism at Powell Duffryn

GROUP PROFITS for the first four months of the current year of Powell Duffryn Group were "satisfactorily ahead" of the July position last year, chairman, Sir Alec Ogilvie, reported yesterday.

Sir Alec was speaking at the annual meeting in London. He warned, however, that there were "two *shadows on the scene.*" The first was inevitably a general air of uncertainty in the country over the possible contents of and reactions to Phase Three, and secondly was that fulfilment of the engineering divisions' good order books could be made difficult by the growing delays in deliveries from suppliers of materials and components.

"*Nevertheless, in regard to the* year as a whole I remain optimistic," said Sir Alec.

Moderna

With satisfactory order books and sales to date showing an increase of almost 25 per cent., Mr G. Meredith, chairman of Moderna (Witney), blanket manufacturers, looks forward to the outcome of the current year with confidence.

He reports that the current year has started with a despatch level "unprecedented in the company's history."

He adds that the balance-sheet of the group and the profits achieved form a platform for future expansion. Management is alert to any opportunities which arise, both externally and internally, provided such opportunities *show* a reasonable return on capital and effort employed, he assures.

As reported on July 19, the group made a record pre-tax profit of £209,098 for the year to April 30, 1973, compared with £76,234 the previous year. Dividends totalled 15.7143 per cent. gross (15 per cent.). At the time of the one-for-one rights issue in January, 1973, the directors forecast profits of £150,000.

Nu-Swift confident of growth

First half 1973 group pre-tax profit of Nu-Swift Industries decreased from £364,000 to £312,300, but the directors confidently forecast the year's figure in excess of the £736,413 for 1972.

Turnover for the six months was down from £1,997,027 to £1,947,651. The order intake was a record—export orders secured increased by 31.1 per cent. and home market orders by 11.4 per cent.

Four weeks' industrial dispute affected production and delayed dispatches to all markets; but sales were not affected. The result has been that at end June the unexecuted order books reached a record £660,143 (£174,743).

Full production recommenced in late May, and delivery of exports is again in line with scheduled delivery dates, the directors state.

An interim dividend of 8.75 per cent. net is declared, equivalent to 12.5 per cent. gross (12 per cent. adjusted for a scrip issue). The 1972 total was equal to 31.5 per cent.

● **comment**

Nu-Swift fell 3½p to 29½p last night, but that looks to be too snap a judgment on a group with a proven growth record and an order book up nearly four times in the 12-months to June. Some raw material costs are a problem—copper and brass notably—but the new multi-purpose extinguisher now accounts for 50 per cent. of the sales mix (up from a 33 per cent. 18-months ago), production is apparently accelerating along with demand, and a bumper current half could mean something close to £840,000 pre-tax for the year. Pinpointing prospective earnings at 2.1p means a net p/e of just 14.

Astra turns in £0.12m.—10% scrip

After higher bank interest of £74,447 (£15,091) profit, before tax, of Astra Securities was £123,601 for the year to April 30, 1973, compared with £211,752 previously. Turnover advanced from £2.68m. to £4.65m.

As stated in the interim report, no dividend is being recommended for the year, retentions being utilised for the investment programme. It is anticipated that following this year of consolidation some payment can be resumed. A total of 19 per cent. was paid last year.

A one-for-ten scrip issue is proposed.

	1973 £	1972 £
Turnover	4,650,058	2,679,518
Bank interest	74,447	15,091
Operating profit	123,601	211,752
Taxation	47,304	73,725
Extra-ordinary credit	17,023	*29,286
Dividend	Nil	104,120
Minorities	Nil	6,152
Retained	59,274	55,081

* Debit.

Costs incurred in reorganising the group are now at an end or are provided in the 1973 accounts, the directors state.

A major reconstruction of properties aimed at maximising the efficiency of activities will also add a substantial amount to their values. This revaluation will be included in the accounts to 1974.

The directors state that orders in hand and levels of activity being experienced should make the profits for the year to April, 1974, more reasonable in relation to the turnover.

Chairman is Mr. D. G. Dukes.

● **comment**

Astra has changed its spots somewhat since the 1971-72 year end so the latest results are not strictly comparable: the investment dealing company has been run down while the other companies have been housed under two divisions, metals and electrical engineering. This reorganisation entailed some factory moves which in turn disrupted production, swelled bank borrowing and depressed profits. The changes are now being reflected at the profit level—two lossmakers accounting for £110,000 are now out of the red—while reductions in stock and efforts to collect debts more quickly are helping to cut borrowings. So, with many of its problems already out of the way, Astra should have a better trading year in 1973-74—which is just the sort of tonic the shares needed on a net 16.8 p/e at 19p, some 39 per cent. off the 1973 high.

Regional Properties policy

THE EFFORTS of improving the quality of the portfolio and the acquisition of prime development sites, carried out in the past year, will be continued in the future, chairman of Regional Properties Mr. Bernard Sutton tells members.

The group, therefore, should be well cushioned against all but *the most severe restrictions,* he says.

Summarising the new policies the chairman draws attention to the redirection of emphasis of the portfolio away from residential into commercial property: initiating a programme of commercial development, in addition to acquiring the freeholds in properties where leasehold interests are held.

These policies are now well under way and Mr. Sutton reports good progress.

As reported on July 20, net profit for the year ended March 31, 1973 fell from £496,547 to £369,097. The total dividend is effectively raised from 8.66 per cent. to 9 per cent.

Referring to the current development programme, the chairman says this amounts to £45m. "We shall continue to add to this programme as suitable opportunities arise," he says.

On finance, the chairman says the group is well positioned to carry through its current development and modernisation programme and is also well placed to raise considerable further finance *as requirements become projected.*

Some £14.1m. was raised by residential sales and arrangements have been made to borrow £14m. on a five-year basis. Terms have also been agreed in principle for further £10m. long-term mortgage funds.

Regarding revaluations of portfolio, Mr. Sutton says it is intended to obtain this every two years, the next being in March next year.

Meeting, Dorchester Hotel, W., October 1, noon.

Chairman's statement Page 16

DIVIDENDS ANNOUNCED

	Current payment %	Date of payment	Corresponding div. %	Total for year %	Total last year %
Alliance and Dublin Gas int.	5	Oct. 10	5	—	10
Aquis Securities	8.33(k)	Oct. 12	7	14.33	13
Bucknall Trust	3.5§	Sept. 28	5	8	8
British Rollmakers ...int.	5(g)	Nov. 12	4.5	—	12.6
H. Brammer ...int.	7§	Jan. 4	10	—	24.45
Hindson Print	4.3(o)†	—	4	6.3	6
Jentique	0.38(m)†	Nov. 20	0.35*	0.65	0.62*
Johannesburg Consl.	70c	Oct. 5	60c	100c	90c
Lothian Trust	0.62(j)†	Oct. 5	0.75	1.25	1.37
Low and Bonar	1.75§†	Dec. 14	2.5	—	10.5
Meat Trade Suppliers	6.43(h)†	—	6.25	6.43	6.25
MPI ...int.	7.5(n)	Nov. 16	—	—	10
Nu-Swift ...int.	12.5(p)	Jan. 5	12*	—	31.5*
Pearl Assurance ... int.	5†(f)	Jan. 1	2.5	—	11.31
Reynards (Excavations) int.	5(g)	Dec. 4	Nil	—	Nil
Slough Estates	0.58§†	Oct. 18	0.83*	—	2.18*
Staplegreen Insurance	11.73(b)†	—	11(c)	15.23	14.5(c)
Tremletts	4.4(d)	—	5	8.4	10(e)
Wingate Invest.	1.26§†	Oct. 24	1.8	3	3
William Nash ... int.	3.5§	—	5	—	7

* Equivalent after allowing for scrip issue. † Pence per share. ‡ On capital increased by rights and/or acquisition issue. § Net equal to last year's gross. (a) Corrected. (b) Gross of 8.2075p. (c) Included 1p bonus. (d) Gross of 3.08 per cent. (e) For 15 months. (f) Gross of 3.5p. (g) Gross of 3.5 per cent. (h) Gross of 4.5p. (j) Gross of 0.4375p. (k) Gross of 0.29162p. (m) Gross of 0.26658p. (n) Gross of 5.25 per cent. (o) Gross of 3.01p. (p) Gross of 8.75 per cent.

Low and Bonar up at midway

SUBJECT to certain factors and after allowing for further Flotex losses, a broad review by the directors of Low & Bonar suggests net attributable earnings in the second half very similar to the £749,000 just achieved for the first.

For the corresponding half year earnings were £722,000 and for the full previous year £1.62m. At the pre-tax level, profits are up from £1.62m. to £1.73m. The figure for the year 1971-72 was £3.58m.

An interim dividend of 1.75p net is declared, equal to 2.5p gross (same). The previous total was 10.5p.

	Six months 1973 £	1972 £
Group sales	19,873	17,872
Group profit	2,056	1,911
Depreciation	355	454
Associated income	233	163
Profit before tax	1,734	1,620
Taxation	808	735
Net profit	926	885
Minorities	177	143
Leaving	749	722

The directors state that during the period the group sold 26⅔ per cent. of the shares in their Zambian subsidiaries. With the buyers having participation in earnings as from December 1, 1972.

Group operations have, with one exception, come fully up to earlier expectations—in Canada they were *exceeded partly due to a reduction* in Canadian taxation on manufacturing companies.

The one exception the directors state has been in the new electrostatic flocking project, Flotex. Here teething troubles have proved longer enduring than anticipated. The consequent interruptions to production have resulted in losses for the *six months being on the same* scale of those in the second half of 1972. Progress is being made, they state, but it is now clear that the losses which will have to be absorbed from the initial stages of this project during 1973 as a whole, will, largely on account of the heavier incidence of depreciation be substantially higher than those in 1972. It *follows that the break through into* profitability must inevitably be delayed.

The current economic situation and the general inflationary and monetary malaise make it difficult to predict the final outturn of the second half they state.

Principal activities includes textiles, packaging and engineering.

● **comment**

Low and Bonar's profits are 7 per cent. ahead of pre-tax after six months, but the general trend is apparently still very dull. The good news is that Canada—which provided a third of profits last year — is back on an uptrend, which leaves Flotex as the only laggard in the group. Here the good news ends rather abruptly. Earlier this year it looked as if 1974 would see Flotex back in the black, but it may now be prudent to change the date to 1975. Meantime, the support at 165p is some solid net worth and a yield of 6.4 per cent.

First half advance by MPI

Taxable profit of MPI, formerly Musical and Plastic Industries, advanced from £98,098 to £155,869 on the 26 weeks ended June 30, 1973, and on interim dividend of 7.5 per cent. gross—5.25 per cent. net—as declared.

For 1972 there was a single 10 per cent. paid from profit of £223,466, before tax.

Chairman Mr. J. A. Cochrane, says that pending publication of the Stage Three counter inflation measures, the Treasury is unable to indicate whether any payment for 1973 over 10½ per cent. will be permitted.

Turnover for the six months at £1.6m. (£1.09m.) comprised musical £1.29m. (£1.09m.) and funeral £0.31m. (nil).

Since the beginning of the second half two acquisitions have been made in the funeral division.

	Half-year 1973 £	1972 £
Turnover	1,598,936	1,095,571
Profit	169,997	102,439
Bank interest	2,526	4,341
Loan interest	11,602	—
Profit before taxation	155,869	98,098
Taxation	74,000	36,000
Net profit	81,869	62,098

● **comment**

In order to assess MPI's first-half profit performance, it is necessary to strip out the contribution from the Chappell acquisition; centralised charges for the group confuse the issue, but it would seem that organic growth has been around 10 per cent. on a sales rise of 18 per cent. The group reckons that the main growth area is still the musical instruments side, and profitability is now on the uptrend thanks to volume gains. The funeral division is expected to grow only via acquisitions, and a number are in the pipeline in addition to the latest two; as things stand at the moment, annual profits from this source are running at roughly £120,000. Assuming that the current rate of progress is maintained, annualised profits ought to be around £340,000, which puts the shares at 16½p on a fully-diluted prospective (net) p/e of 10½—a rating that seems appropriate for the time being.

EPIC properties worth £28m.

It is the directors' opinion that at April 30, 1973, group properties of the Estates Property Investment Company had an open market value of not less than £11m. over the £17.23m. book value states Mr. A. R. Perry, chairman.

With many of the properties at present uncharged they are satisfied that the group has sufficient finance for its immediate developments, he adds.

Looking ahead, he says further Continental sites, particularly for industrial development, are currently being investigated and suitable sites for industrial and commercial development in the U.K. are continually being considered.

As reported on August 9 net property income for the year to April 30, 1973, was £1.27m. (£1.22m.) with a dividend of 3.54375p (3.375p) per 25p share.

Meeting, Great Eastern Hotel, E.C., September 21 at 12.15 p.m.

Chairman's statement Page 8

Johnson Matthey good first quarter

Pre-tax profit of Johnson Matthey and Co., precious metal refiners and chemical manufacturers, metal fabricators, bankers, ceramic colour and pigment manufacturers and decorative transfer producers, almost doubled from £1,684,000 to £3,173,000 for the three months to June 30, 1973.

In July the directors said they expected the current year to be good and had no reason to believe that their expectations would not be realised.

Pre-tax profit of £10,942,000 was turned in for the year to March 31, 1973, on which dividends totalling 13.125 per cent. gross were declared.

Invoiced sales for the three months, excluding Johnson Matthey Bankers, were £55,613,000 (£38,875,000).

Precious metals stocks are valued at base prices. If market prices had been used, the amount on the balance-sheet would have been higher by £9,507,000 (1972 higher by £2,333,000).

Profit before tax was struck after debenture and other net interest of £237,000 (£350,000) and depreciation £283,000 (£250,000).

	Three months 1973 £000	1972 £000
Profit before tax	3,173	1,684
Taxation	1,419	752
Net profit	1,754	912
Minorities	18	10
Retained	1,736	902
Fixed assets	13,762	13,173
Investments	6,181	5,070
Net current assets	34,829	43,978
Total assets	54,772	62,223

See Lex

VAVASSEUR NORTH AMERICAN

Vavasseur North American Trust has made its first distribution amounting to 0.3p per unit (0.428p with the tax credit added). During the accounting period from January 22 to July 14, 1973, the offer price fell by 6 per cent. compared with a drop of 13.04 per cent. in the Dow Jones Industrial Index. This satisfactory relative performance is largely due to the policy of remaining substantially liquid. During recent weeks, ever, the cash element has reduced to 40 per cent. of fund's value, reflecting Managers' belief that the market is oversold.

Wingate holds 3p: scrip

AFTER substantially increased interest paid of £684,200 against £211,303 pre-tax revenue of Wingate Investments dropped from £222,415 to £78,464 for the year to March 31, 1973. Earnings are given as 5p (4.5p).

Rents received jumped from £564,754 to £1,232,493.

Results reflect the acquisition during the year of Fore Street Investments and St. Alphage Investment Company.

An unchanged final *dividend of* 1.8p gross—1.26p net is proposed to hold the total at 3p per 20p share. A one-for-one scrip is also proposed.

	1972-73 £	1971-72 £
Gross rents	1,232,493	564,754
Profits	762,664	433,718
Interest	684,200	211,303
Pre-tax revenue	78,464	222,415
Taxation*	72,235	17,776
Net revenue	6,229	204,639
Minorities	4,044	—
Available	315,793	263,691
Dividends	178,446	107,983

* Including £37,896 (nil) ACT not recoverable.

It is proposed to seek approval to permit unrealised revaluation surpluses to be treated as profit available for distribution by way of dividend so far as necessary to make good loss of revenue resulting from interest (and other outgoings) on properties and investments in property holding companies acquired for investment and revenue potential which have low income pending rent reviews or reversions.

Meeting, October 23.

Tremletts tops £1.77m.

AGAINST AN upgraded forecast of in excess of £1.5m., group pre-tax profit of Tremletts increased to £1.77m. for the year to March 31, 1973, compared with £0.69m. for the previous 15 months, after £0.66m. (£0.25m.) for the first six months.

A final dividend of 3.08 per cent. net, equal to 4.4 per cent. gross, makes a maximum permitted 8.4 per cent. total gross, compared with 10 per cent. for 15 months. Basic earnings were 15.97p per 25p share, or 14.71p (9.66p on an annualised basis) fully diluted.

The policy of expansion by internal means, coupled with the acquisition of companies, will benefit equity holders over a period of time and will ensure that growth of attributable earnings and assets continues, says the chairman, Mr. J. M. Pike in his annual statement.

Although the print and packaging division has been disposed of, four more engineering companies (The Reiss Engineering Company, F. A. Standen and Sons Metadalic, and Industrial Impregnations) have been acquired.

Holders' funds have expanded to £8.56m. and it is intended to make full use of existing cash resources and available borrowing facilities in order to increase growth of assets and earnings, says Mr. Pike.

Regarding the disposal of subsidiaries, the chairman says the sales in each instance have been in the interests not only of shareholders but also of employees and customers. Moreover, Tremletts' management has produced the increased growth which has enabled the companies concerned to be sold as viable and profitable enterprises.

At the time of reaching agreement for the sale of the print and packaging division the Stock Exchange Listing was temporarily suspended, Mr. Pike understands that publication of the accounts fulfils part of the requirements for resumption.

	Year 1972-73 £000	15 mths. 1971-72 £000
Turnover	29,334	8,123
Profit before tax	1,772	687
Taxation	682	260
Minority interests	101	36
Net attributable	989	401
Extra-ordinary credits	52	*11
Dividends	113	113
Retained	928	277

* Debits.

A breakdown of turnover and profit (£000s omitted) shows engineering £10,325 (£5,045) and £1,196 (£661), print and packaging £19,009 (£3,078) and £1,408 (£180). Finance and administration absorbed £832 (£154).

The total value of goods exported during the year was £5,979,000 (15 months £3,267,000).

Meeting, Connaught Rooms, W.C., September 21, noon.

The subsidiary, Melbray Group, reports a turnover up from £21.89m. to £22.58m. and a profit of £916,000 (£17,000), subject to tax of £367,000 (*credit £16,000*) for the year to March 31, 1973. Dividends take £106,000 (£282,000) and there is a surplus of £444,000 (deficiency £919,000) transferred to reserves. Engineering contributed (£000s omitted) £3,321 (£3,416) to turnover and £174 to profit (deficit £468); and print and packaging £19,009 (£18,471) and £1,408 (£1,077) profit.

Meeting, 19-21 Old Bond Street, W, September 21 at 9.30 a.m.

ISSUE NEWS

ROSEDALE RIGHTS RESULT

Rosedale Industries announces that in respect of its recent rights issue, acceptances were received for 846,172 shares, including the full entitlement of 701,151 shares subscribed for by Heenan Beddow. Excess applications for 2,746 shares have been allotted in full, and the balance of 292,182 shares will be taken up by the underwriters.

TOWER ASSETS

The directors of Tower Assets announce that in connection with the recent rights issue of £4[illegible] 10 per cent. Convertible Stock allotments have been accepted in respect of £3,280,347 of stock, and applications for additional stock have been received in respect of £2,258,538 of stock.

Allotments in respect of applications for additional stock have been made as follows: Up to £500—In full; over £500—about 28 per cent. with minimum allotment of £500.

W. & J. GLOSSOP

W. and J. Glossop intends to make a scrip issue on the basis of one for two. The company also proposes to repay at par the 6 per cent. Cumulative Preference shares.

RESULTS AND ACCOUNTS IN BRIEF

[illegible]

MINING NEWS

Bougainville scheme

BY KENNETH MARSTON

FULL DETAILS are now announced of the scheme whereby shares of Bougainville Mining (BM) are to be exchanged for those of its 80 per cent-owned operating company in Papua New Guinea, Bougainville Copper (BC).

The main advantage of the deal for U.K. shareholders is a saving in withholding tax because dividends paid by BC to BM are subject to Papua New Guinea 15 per cent. withholding tax and a further 15 per cent. withholding tax has to be paid in Australia when BM pays a dividend to non-Australian residents.

By having a direct holding in BC, shareholders in the U.K. will have only the Papua New Guinea withholding tax deducted from dividends and they will be able to set this off against U.K. tax. They are also expected to receive a distribution of about 2.2 cents per BM share from the realisation of the company's assets other than the BC holding.

Holders in BM will have the same interest as before in the operating company via an exchange of six BC shares for every five BM. The interim of 4.2 cents just declared by BM will be subject to Australian withholding tax, whereas the proposed further interim of 10 cents to be declared by BC (equal to 12 cents per BM) will suffer Papua New Guinea withholding tax.

Notifications and cheques for the various cash distributions are expected to be posted by November 30. When the scheme goes through a further deal will be applied in the case of NBHC Holdings. In essence, holders of the latter will receive six BC shares plus five shares in Australian Mining and Smelting in exchange for every five shares in NBHC Holdings.

On completion of the schemes, therefore, BM and NBHC shares will cease to exist. The ownership of Bougainville Copper will be: Conzinc Riotinto of Australia 52.6 per cent., public holdings 27.4 per cent. and Papua New Guinea 20 per cent. Rio Tinto-Zinc holds 80.7 per cent. of CRA.

U.S. LEAD-ZINC PARTNERSHIP

The Park City Ventures partnership of Anaconda (60 per cent.) and American Smelting and Refining (40 per cent.) is to further develop and commence operation of the Ontario lead-zinc-silver mine at Park City in Utah. Owned by United Park City Mines, the property was leased to the partnership in 1970.

Production at the rate of 3,000 tons of ore per week is expected to begin in early 1975. Annual output is put at 43,000 tons of zinc concentrates, 25,000 tons of lead concentrates and 1.2m. ounces of silver. Anaconda will be the manager of the operation.

NAVAN PROGRESS IS DELAYED

Canada's Tara Exploration comments that it is premature to say whether the delays experienced at its rich lead-zinc orebody at Navan in Ireland materially affect the target start-up date for commercial production of mid-1975.

Progress has been slowed by the delay in the start of mining lease negotiations with the Irish Government, a snag being the Bula dispute over ownership of part of the ground. But Tara adds that the Minister for Industry and Commerce has now advised month.
that the talks will begin next

They will cover the State-owned minerals continued in the undisputed portion of the orebody which contains over 85 per cent. of the total ore reserves which were last put at 77m. short tons grading 10.9 per cent. zinc and 2.63 per cent. lead. Working capital at June 30 amounted to $Can.6.9m. The shares were 738p yesterday.

PALABORA'S PELLET HOPES

The Rio-Tinto Zinc group confirms that it has had discussions with Japanese steel companies regarding an iron ore pellet project in South Africa which would treat the Palabora copper mine's magnetite by-product. Feasibility studies have been in progress and the U.S. Bechtel, Western-Knapp group has now been commissioned to do an engineering study.

So far, Palabora has been putting most of the magnetite into a stockpile containing about 23m. tons with an iron content of some 50 per cent. which can be upgraded to about 65 per cent. by further treatment. Pellet production could range between 4m. and 6m. tons a year starting in 1977-78, it is stated.

OFS DRILLING

Further low value gold results have been obtained in the latest drilling of two boreholes on the old Freddies Consolidated Orange Free State area lease which is shared by Free State Geduld and Western Holdings.

The best values in hole KK9 were obtained from the second and third deflections which cut the "A" reef at a depth of 1,287 metres (4,221 feet) to give 2,633 centimetre-grams (605 inch-dwts) and 2,524 centimetre-grams (580 inch-dwts) respectively.

The hole, which is in the southern part of the property and not far from the FSG boundary, has now been completed. To the west, hole E1 has given a best value of 2,050 centimetre-grams, cutting the basal reef at a depth of 1,489 metres (4,884 feet).

ROUND-UP

The Rio Tinto-Zinc group's currently mothballed Mary Kathleen mine has further sales contracts for 1,034 metric tons of uranium oxide awaiting Australian Government approval; the total so far approved is 4,870 tons for delivery from late-1974. Recent Budget changes mean that future dividends will be subject to tax despite the company having over $26m. previously available for declaration of tax-exempt dividends.

In Kalgoorlie, Western Australia's civic, mining and trades union leaders are to hold a protest meeting against the withdrawal of the gold mining industry's tax-free status.

South Africa's gold holdings rose by R1.5m. to R575.4m. last week. Although weekly production varies, the latest figures suggest that around 9 per cent. went into reserves at the monetary price.

ALLIBERT

Allibert (U.K.) is to change its name from September 1 to Sommer Allibert (U.K.). This follows the merger earlier this year of the French Ets Allibert and Sommer et Cie companies, respectively Europe's largest thermoplastics moulding and floor and wall coverings producers. It is a prelude to Sommer products being marketed here on a substantial scale.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price p	+ or −	Div. or Amount	Times Covered	Gross Yield	P/E Ratio
♣	F.P.	—	£65½	£56	AlgemeneBkNedFl100	£58¼	−½	18	5.5	4.4	4.2
♦	F.P.	—	176	105	ABV Hldgs	175	......	10	7.9	1.4	12.4
♣	F.P.	—	£24⅞	£21¾	BankAm'ricaCrp$1.5625	£22⅞	−⅝	$1.14	—	1.7	—
120	F.P.	—	137	126	Beaser (CH) 10p	131	−1	4.63	2.1	6.6	9.6
72p	F.P.	3/8	121	103	Bejam Group 10p	109	−1	6.24	1.8	3.1	26.0
14	F.P.	—	15½	14½	[illegible] 10p	15¾	+¼	0.12	1.7	7.6	11.1
::	F.P.	—	69½	56	[illegible] 10p	58	......	4.55	T1.7	8.6	6.8
♣	F.P.	—	£167⅞	£146⅞	IBM (US$5)	£152	+1	$5.2	—	1.2	—
♣	F.P.	—	256	186	Int. Inv. Tst. of Jersey	240	......	5½	1.0	2.2	::
51	F.P.	—	65	59	Jones Group 10p	59	......	3.31	1.6	5.2	::
40	F.P.	8/8	47	35	Lonkers	42	......	4.58	2.1	6.6	10.1
45p	F.P.	30/8	172	159	Sainsbury (J.)	166	......	2.16	1.7	3.5	24.1
60	F.P.	31/8	65	52	Smith Bros.	52	......	3.12	2.2	8.2	8.0
♣	F.P.	—	£12½	£11¼	TRW ($1.25)	£12¼	+⅛	$1.01	—	2.8	—
♣	F.P.	—	£12⅞	95	Universal Oil Prod. $1	987½	+25	—	—	—	—
18	F.P.	10/8	19	17½	[illegible]	17½	......	5.4	1.0	3.1	41.7
46	F.P.	—	52	49	Wearwell 5p	51	−1	8.2	1.7	6.9	12.1

FIXED INTEREST STOCKS

Issue Price	Amount Paid Up	Latest Renunc. Date	1973 High	1973 Low	Stock	Closing Price	+ or −
::	F.P.	—	72p	70p	Boulton (Wm.) 8½% Cum. Red. Pref.	70p	......
::	F.P.	—	97½	96	Carling Invs. 9½% Gtd. Cnv. Uns. 1995	96	......
::	F.P.	—	85	75	[illegible]	75	......
♥	F.P.	—	104½	99	[illegible] 10% Cnv. Uns. 85/88	102	......
::	F.P.	24/5	94½	90	[illegible] 11% Uns. [illegible]	90½	......
	F.P.	—	96¾	[illegible]	Lloyds Bank 7½% Cnv. Cns. Sub. Ln. 1994	96½	+1½
::	F.P.	—	91	91	Midland Bank 10½% Sub. Unsd. Lns. 93/98	91	......
::	F.P.	—	95¼	91¼	Do. 7½% Cnv. Sub. Unsd. Lns. 73/93	93⅝	......
:	F.P.	—	[illegible]	81	[illegible]	81	......
£95	£10	...	9½	[illegible]	Rickm'nsw'th & UxbridgeWater7½%Red.Pref.78	8¼	......
£100	F.P.	—	95½	80	Rolls-Royce Motors 8% Cnv. Uns. Ln. [illegible]	80½	−1
::	F.P.	—	101	97	Smiths Inds. [illegible] Cnv. [illegible]	97	......
♥	F.P.	—	102	97½	Steel Bros. [illegible] NonCum.Cnv.4thPref.[illegible]	97½	......
♥	£25	—	30	26½	Tower Assets 10% Conv. Loan [illegible]	28½	+1
:	F.P.	—	[illegible]	[illegible]	[illegible]	[illegible]	......

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date		Stock	Closing Price p	+ or −
481	nil	—	—	Argo Invs.	55pm	−3
28	F.P.	—	—	Chambers & Fargus	nil	......
140	F.P.	—	—	Hill Samuel	134	+1
25	F.P.	—	—	Lamont (James H.)	31	+1
50	nil	6/8	14/9	[illegible]	50	......
60	F.P.	—	—	[illegible]	59	−1½
10	nil	—	—	Smith Holdings (Whitworth)	[illegible]	......
160	F.P.	—	—	Smurfit (J.)	152	+1
98	F.P.	—	—	[illegible]	5pm	[illegible]

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital; cover based on dividend on full capital. p** Pence unless otherwise indicated. † Figures based on prospectus or official estimates for 1973. F Figures based on prospectus or other official estimates for 1971. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ♣ Offered to holders of Ordinary shares as a "rights." ♥ Issued by way of rights. ‡ Rights by way of capitalisation. †† Tender allotment price. ♦ Reintroduced. :: Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ♠ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. § With warrants

BIDS AND DEALS

Reliance Hosiery £1m. deal with Ashley

Reliance Hosiery (Halifax) is to expand its product base by the acquisition of Drewry and Edwards and James Macfarlane (Kilmarnock) from Ashley Industrial Trust. Reliance itself was taken over by Ashley just over a month ago.

Agreement to the deal has been reached in principle. It is worth just over £1m., with Reliance issuing 2.36m. shares at 45p a share as consideration.

The takeover will require approval of the Reliance shareholders to a necessary increase in the authorised capital. Ashley, which owns about 60 per cent. of Reliance, will not vote.

Reliance manufactures women's and children's hosiery, knitwear and underwear. Drewry and Edwards, which is Nottingham based, makes men's and ladies' and childrens' underwear and for the year to April 30, 1974, it is forecast to earn pre-tax profits of £130,000. Its net assets total about £330,000.

Macfarlane is based in Scotland and manufactures men's shirts and ladies' blouses. Its pre-tax profits for the year to April, 1974, are forecast at £120,000 and it has net assets of £220,000.

It is felt the deal will create a broadly based clothing group with annual sales of about £7m.

TRIDENT TV BUYS ZOO COMPANY

Trident Television (parent company of Yorkshire TV and Tyne Tees TV) has agreed to buy 65 per cent. of the capital of Don Robinson (Holdings), a privately owned company with interests in the entertainment business, including Scarborough Zoo and Marineland and two dolphinariums, one in Perthshire, and another in Montreal.

Total price is £375,000 to be satisfied by the issue of 562,500 non-voting "A" Trident shares and £130,312 cash. There is also to be a two-way option to acquire the minority interest after five years on the basis of six times the weighted average of the last three years' pre-tax profits. Net asset value of Robinson was £92,000 as at February 20, 1973, and the pre-tax profit for the year to that date was £58,000.

Mr. Don Robinson retains a substantial minority interest in the company and will continue as managing director under a five-year service agreement

ASSOCD. HOTELS

Associated Hotels, to be renamed Securicor Group, expects pre-tax profit to be not less than £2.17m. in the year to September 28, 1973, against £2m. in 1971-72.

The forecast, given in a circular on the sale of nine hotels and an office property (Eccleston Court) to Mr. Maxwell Joseph's Norfolk Capital Hotels, assumes that the upward trend of Securicor turnover, will be maintained and that overseas trading will not be adversely affected by changes in local conditions or currency fluctuations.

On the same basis, pre-tax profit of Kensington Palace Hotel, to be re-named Security Services, is expected to be not less than £1.92m. KPH, 53 per cent. owned by Associated, will receive £3.8m. of the £8.5m. payable by Norfolk.

Mr. Keith Erskine, chairman of both companies states the director's believe that profit for the year to September 30, 1974, attributable to the reinvestment of the net proceeds of the sale, will be higher than the profit which would otherwise have been earned by the hotels and Eccleston Court.

SIME DARBY

Mr. D. W. Pinder, chairman of Sime Darby Holdings, has written to shareholders outlining further details of the many acquisitions made by the company this year and of the plans, already announced, for reorganising the group's plantation interests.

COURT LINE

Court Line has now acquired Associated Travel Leisure and Services. Subsequent to the original announcement on May 8, the terms have been revised and the consideration is now an initial issue of 106,173 Court Line Ordinary shares worth approximately £108,000. In addition a further 108,173 shares will be issued provided that profits for 1974 reach a minimum figure.

CLOVER CROFT

The Agremin offer for Clover Croft and State is declared unconditional and has closed. Acceptances received for 677,259 shares (81.6 per cent.)—62,361 (7.5 per cent.) were held before offer period.

WILLIAM REED

William Reed and Sons, the textile group, has exchanged contracts for the acquisition of the John Pattison group, which is based in Manchester and is engaged in the manufacture, printing and merchanting of household textiles. Consideration is £525,000 satisfied by the issue of 308,910 Reed Ordinary shares and £339,654 cash.

Pattison had net tangible assets of £609,910 on December 31, 1972, and profits before tax for the year then ended of £53,298. The acquisition will extend Reed's product range and at the same time strengthen the company's market for its own production.

GAUNTLET BUYS

Gauntlet Developments, the commercial and office property development subsidiary of Slough Estates, has acquired the Grand Hotel, Sheffield, for an undisclosed sum. The development will start immediately and will provide 137,480 square feet of office and commercial space together with a car park. Planning consent has been received.

Eadon Lockwood and Riddle acted for Gauntlet in the purchase of the site and will be retained during its development.

GLOUCESTER & CHELTENHAM OFFERED 65P

Mr. J. G. Walker, a partner in London stockbrokers, Hoblyn and Co., together with Mr. R. C. Watson, a builder and developer, are to make an offer for Gloucester and Cheltenham Greyhounds valuing the company at nearly £600,000.

The deal is aimed at extending the property activities of Gloucester, but greyhound racing at the Longlevens stadium will continue so long as it is financially viable and in the best interests of the company, it is stated.

Mr. Walker and Mr. Watson have already acquired 31.49 per cent. of the equity from Mr. J. E. G. Bartholomew, who himself made a bid for the company in January of 55p a share in cash. Mr. Bartholomew intends to retain 25,000 shares and to remain on the Board.

Mr. Walker and Mr. Watson paid 65p a share for their stake and will offer the same price for remaining shares. Finance will be provided by G. T. Whyte and Co., part of Mr. Tom Whyte's Triumph Investment Trust. Whyte's has arranged for placement of any acceptances in conjunction with Hoblyn and Co. and Whyte or its nominee has been granted a three-year option to purchase 175,000 Gloucester shares at 65p.

The purchasers hope to put some of their private interests into Gloucester, subject to Board approval. Their property plans for Gloucester are in fulfilment of the undertaking given by Mr. Bartholomew when he made his bid.

SHARE STAKES

Slater Walker Securities interest in Cranleigh Group amounted to 3,865,000 Ordinary (14.17 per cent.) on August 6.

Interests of Slater Walker Securities and its subsidiaries, together with investment trusts, unit trusts and fully discretionary investment clients under management in Nairn and Williamson (Holdings) totalled 1,805,000 Ordinary (26.48 per cent.) on August 8.

Camellia Investments now holds 529,000 shares in Jorehaut Holdings.

The consortium has acquired a further 15,000 shares in Norwest Holst, bringing total shareholding to 2,579,500 shares.

Property and Reversionary Investment Corporation now holds 1,994,400 Ordinary (16.76 per cent.) in Property Holding and Investment Trust.

RACKWELL HAS 20% OF DIAMOND STYLUS

Rackwell Securities, which was recently taken over by Consolidated Commercial Company, is continuing to purchase shares in Diamond Stylus, the Colwyn Bay manufacturers of diamond-tipped gramophone needles.

Rackwell now owns 422,500 Diamond shares—20.79 per cent. of the equity—of which 240,000 have been transferred to Barclays Nominee for a "nominal consideration."

However, according to Mr. E. S. Coathup, chairman of Diamond, Rackwell "have still not indicated their future intentions." He also made it clear yesterday that he, his family and co-directors have no intention of selling their current holdings, totalling 804,875 shares, or 39.6 per cent. of the capital.

It was several weeks ago that Rackwell, which is based at Thetford, in Norfolk, was disclosed as having a 12 per cent. holding. On August 14 the stake had been increased and five days later it had been raised to 18.58 per cent.

COPE ALLMAN

The offer by Cope Allman International's subsidiary, Magro Pty., for minority shares in Cope Allman (Australia) has now become unconditional. CAI now controls 98 per cent. of Cope Allman (Australia).

Slough Estates profit expansion

FIRST-HALF GROUP pre-tax profit of Slough Estates increased from £1.62m. to £1.8m., and the directors forecast a "satisfactory increase" for the year over the £3.37m. for 1972.

But for the effects of the rent freeze, the first-half results would have been materially better, they state.

The increase in revenue in the U.K. is limited by the counter-inflation measures.

But with the interest abroad, the increase in group profit for 1973 should be satisfactory, the directors add.

An interim dividend of 0.583p net per 25p share effectively maintains the previous year's gross 0.833p. The 1972 total was 2.184p gross.

	Six months 1973 £000	1972 £000
Turnover:—		
U.K. rentals	1,917	1,698
Overseas rentals	538	419
Sales*	1,591	1,295
Merchandise sales	791	662
Profit before tax	1,801	1,622
Taxation	750	522
Net profit	1,051	1,100
From capital reserve	75	80
Minorities	11	5

* Gas, electricity, steam, water.

See Lex

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends concerned are interims or finals and the sub-divisions shown below is based mainly on last year's timetable.

TO-DAY

Interims: Black and Edgington, Blagden and Noakes, Brown Brothers and Albany, Edward Le Bas, Marber and Platt, Ofrex Group, Richards and Wallington Industries, Trust, Youghal Carpets.

Finals: Chemical Securities, Gripperrods, Howard and Wyndham, Studdard Holdings, Western Credit, Wrensons Stores.

FUTURE DATES

Interims—	
APV Holdings	Sept. 3
Australian Agricultural	Sept. 5
Bilton (Percy)	Oct. 29
British and Canadian Investe.	Aug. 31
Cement-Roadstone	Sept. 4
Clifford (Charles) Industries	Sept. 10
Biggs and Hill	Oct. 16
Royal Dutch Petroleum	Sept. 13
Shell Transport	Sept. 13
Finals—	
Associated Leisure	Aug. 31
Blackwood Morton	Sept. 3
Galliford Brindley	Sept. 6
Kennedy Smale	Sept. 11

Brammer to maintain progress

AN IMPROVEMENT in group profit, before tax, from £504,000 to £527,000 is reported by H. Brammer and Co. for the six months to June 30, 1973 and excluding any benefit from the acquisition programme, the group will maintain the progress predicted in the annual report and the second half should produce an improved rate of trading profit the directors state.

Last April, the directors anticipated a notable trading expansion in 1973 of about 25 per cent. and hoped this would be reflected in the year's profits.

	Six months 1973 £000	1972 £000
Sales	4,913	3,671
Trading profit*	522	503
Investment income	5	1
Profit before tax	527	504
Tax	†242	202
Net profit	285	302
Capital issue‡	2	—
Minorities	—	1
Attributable	283	301

An interim dividend of 7 per cent. net is declared, equal to 10 per cent. (same). The previous total was 24.45 per cent.

* The depreciation charged in arriving at the trading profit is £80,000 (£47,000). The results for half year to June 30, 1973 do not include any provisions for losses on currency exchange arising on consolidation. † Less relief for advance corporation tax amounting to £23,000 paid or deemed to be payable in respect of dividends paid out of the 1972 profits. ‡ And acquisition expenses. No provision has been made for expenses incurred to June 30, 1973, amounting to approximately £9,000 on proposed acquisitions.

The directors state that the trading results for the six month period do not reveal the substantial progression in market share in most sectors of the group.

Dutch insurers plan U.K. operation

NV AMEV, of Utrecht, which through its subsidiary, NV Levensverzekering "Utrecht," is the second largest life insurance company in the Netherlands, intend to establish a life insurance company in the U.K.

The new company will be established in close co-operation with Bankers Trust International, the London merchant banking subsidiary of Bankers Trust Company, New York. BTI will be "a significant" shareholder, together with Investors Planning Associates, a life insurance brokerage company, in which BTI has an interest.

AMEV also intends to take a small interest in IPA and will be represented on its Board. The moves are subject to the permission of the U.K. authorities.

Staplegreen Insurance profit up

EXCLUDING exceptional expenditure of £166,000, pre-tax profit of Staplegreen Insurance Holdings expanded from £2.03m. to £2.4[illegible] for the year to March 31, 1973.

Earnings per 25p Ordinary share are stated at 26.5p (22.94p).

A final dividend of 8.2075p net is recommended, equal to 11.725p gross making a total of 15.225p (14.5p).

	1972-73 £000	1971-72 £000
Profit	*2,457	2,019
Tax	953	801
Net profit	1,504	1,218
Investment profit	4	6
Credit	†50	—
Exceptional expend	100	—
Minorities	136	105
Attributable	1,322	1,118
Dividend	580	722
Retained	742	396

* Excluding exceptional expenditure £166,000. † Arising on change in basis of accounting.

See Lex

£0.28m. profit by Aquis

As indicated in July, taxable profit of Aquis Securities at £279,145 for the year to March 25, 1973, comfortably exceeds the £157,375 of 1971-72.

And, as promised, the final dividend is the maximum permitted 8.332 per cent. gross—0.29162p net—to lift the total from 13 per cent. to 14.33 per cent.

	1973 £	1972 £
Profit before tax	279,145	157,375
Taxation	116,625	55,075
Net profit	162,520	102,300
Minorities	2,952	2,773
Properties sale	33,850	62,380
Available	431,288	298,232
Dividend	92,329	78,723
Leaving	338,939	218,458

Meeting October 5.

FINANCIAL AND ACCOUNTANCY APPOINTMENTS

Director of Administration

c.£9,000

■ Rather an unusual job for a qualified accountant, a C.A. preferably, who can manage the financial affairs of this professional firm with accomplished ease and spend the rest of his time on pure administration, planning and improving the operating efficiency. The rationale for the appointment is to allow the 'professionals' freedom to practise their particular specialities unhampered by day to day problems. The breakdown of the work is broadly as follows:

■ Finance function – management accounting, financial and credit control, cash deposits *(substantial overnight funds involved)*. Administrative function – premises, office equipment and supplies, communications (some sophisticated equipment involved), computerisation, clerical organisation and methods. Personnel function – organisation development, recruitment, training and development, personnel administration.

■ Additionally, he will be expected to contribute to company strategy and play his part in carrying through marketing plans. The firm is highly successful expanding both geographically and into new markets. The Administration Director will work through Office Managers at branches and heads of department. He reports to the senior partner.

■ The preferred age range is 35–45 and some experience in the uses and abuses of computers is essential. As this is a relatively small organisation (100-odd staff) personal acceptability at all levels of contact is singularly important so this is not a job for someone who likes to shut himself away with his slide rule and communicate via memos.

■ Company benefits include non-contributory pension, group BUPA and a bonus which will probably bring the basic salary of £7,000 or over to five figures. Location Midlands with assistance towards removal costs and the like.

■ Please apply in confidence giving brief details and quoting Ref: AD/766 FT.

Leslie Coulthard Management

Brettenham House, 14 Lancaster Place, London WC2

Group Taxation

Major International Industrial Corporation

ACA, ACCA 24-26 c.£4,000+Car

Our clients are one of the largest UK Corporations, with a product range successfully marketed throughout the world. A recent announcement regarding capital investment indicates planned and rapid growth in the home and export markets.

Until recently all Group Tax planning and control has been carried out by the Corporation's Auditors. Now this important function is the responsibility of a senior executive with direct access to the Vice-Chairman.

In order to facilitate this change in policy, a high calibre team is currently being formed to ensure a smooth transition, and efficient Tax planning and execution of agreed policy for the future. The Group thus seeks to recruit an ambitious young ACA or ACCA, keen to acquire Corporation Tax expertise in an International context.

Thereafter opportunities to use his experience in a General Management context throughout the world would be frequently available.

Please telephone or write to Robin F. Rotherham, quoting Ref: 73/8/JA on telephone no. 01–405 3499.

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This is a senior position and preference will be given to applicants who hold the Institute of Bankers Trustee Diploma or are Chartered Accountants or Chartered Secretaries.

Applicants should be experienced in all aspects of Trust Administration and a knowledge of Company Management would be advantageous.

Salary is £5,000 (CI$10,000) per annum. Fringe benefits include four weeks annual vacation with air fares paid to *U.K. for entire family plus quarterly trips to Miami.*

Interviews will be held in London 10th & 11th September. Write with full details, in first instance, to:

R. de Gottal, The Recruitment Officer,
First National City Bank
336 The Strand, London W.C.2

Accountant Zambia

Independent American Company

Not less than £5600

This subsidiary manufactures and markets industrial rubber products; it requires a young, qualified man to assist the present accountant with the current development work and to take over his position in about two years' time.

Aged about 26, he must have had a good basic training and some experience of industry so as to be entirely familiar with its costing and accounting methods.

In the first instance a two years' contract will be given. The salary which can be up to £6250 for a suitably qualified candidate, is inclusive of gratuity of 25% payable at the end of contract. There are the usual benefits applicable to such an overseas position.

Apply in confidence, quoting reference A364/B, to:

J. Kingsley White,
Deloitte, Robson, Morrow & Co.,
Management Consultants, PO Box 207,
128 Queen Victoria Street, London EC4P 4JX.
Telephone 01–236 6354.

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The successful candidate will be dealing with top executives of the country's leading industrial firms and will consult with lawyers and accountants. The job requires self-assurance, initiative, imagination and a disciplined mind. Experience in the field would be an advantage, as would a lawyer's or accountant's background and a foreign language.

Salary is negotiable, but those now earning less than £4500 per annum are unlikely to be considered. Benefits include home loan scheme and contributory pension fund.

Applicants should write, quoting reference B.309, to
P. D. Richards, Personnel Manager (Southern), Williams & Glyn's Bank Limited, 5/10 Great Tower Street, London, EC3R 5DH.

WILLIAMS & GLYN'S LEASING COMPANY LIMITED, a part of

WILLIAMS & GLYN'S BANK

Finance Director and Chief of Staff

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REPLIES including comprehensive career details and quoting reference 908239 *on the envelope* should be sent to E. John C. Bell, F.C.A., ROBSON, RHODES & CO., 24/28 Moorgate, London EC2R 6EA.

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The Bank proposes to appoint an Assistant Manager, in the expanding U.K. Division of its Credit Department, to be responsible for the day to day management of the Division's loan portfolio.

Duties will include responsibility for the more important aspects of credit management and loan documentation. Applicants are required to have relevant experience as lending bankers, thorough appreciation of credit analysis and administrative ability. Some travel in the U.K. could be involved.

The successful applicant will command an excellent salary and additional benefits. Men or women in the age range of 28 to 37 are invited to write in confidence, outlining their career to date, indicating present salary to:
Raymond Theodoulou, Rothschild Intercontinental Bank Ltd., P.O. Box 171, 16 Finsbury Circus, London EC2P 2JY.

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We are a medium sized progressive and expanding Engineering Company located in a very pleasant and popular part of East Anglia. We are part of a very large American Group, and we are seeking a capable and well qualified person as Financial Director.

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Applications giving full details of experience, qualifications etc. should be sent in first instance to—

Personnel Manager, Box No. T.2564, Financial Times, 10, Cannon Street, EC4P 4BY.

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GROUP ACCOUNTANT AND SECRETARY

Progressive West Midlands Group of Heating and Plumbing Merchants requires Group Accountant and Secretary who will be directly responsible to the Managing Director.

Responsibilities of the position will include duties of Company Secretary, the preparation of annual and periodic management accounts, budgets and cash flow, the provision of financial information and advice to the Group's Board of Directors and the control of office administration.

Applications are invited from Chartered Accountants between the ages of 30 and 40, preferably with some commercial experience.

The Group is expanding and the position offered will afford excellent prospects of further advancement, including directorship, to an applicant of the right ability and experience whose present remuneration is in the £4,500 to £5,000 range.

Applicants should reply giving full particulars of career and experience and quoting the reference H.I. to:

Peat, Marwick, Mitchell & Co.,
Windsor House, Temple Row, Birmingham B2 5LD.

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FARMING AND RAW MATERIALS

Herbage seed shortage

A WORLD shortage of agricultural grass seeds is going to mean that a mixture suitable for planting a field for grazing or cutting for hay will cost about twice as much this autumn as it did last year. This will be the case despite the fact that the herbage seed harvest in the South of England has been proceeding well; indeed, a number of the major seed companies have revealed that their contract growers are harvesting higher yields than last year.

The shortage has arisen because of a combination of circumstances, particularly the below-average yields last season in Britain, Denmark and New Zealand, and the sharp rise in demand for grass seed in the U.K. in the autumn of 1972 and the spring of 1973.

As a result, the prices being paid to contract growers of the Aberystwyth varieties, such as the popular S.23 and S.24 perennial ryegrasses, are more than twice those paid last year. These strongly influence the prices paid to growers of other varieties and are directly and proportionately reflected in consumer prices.

Despite these high prices, the trade report a strong demand for seed for planting this autumn. Livestock farmers are concerned about the continuing high cost of grain and protein feeds and are seeking to replace them as far as possible by home-grown grass and other forage crops. One of the major seeds houses has reported a 200 per cent. increase in sales in this boom time for high-priced grass seeds.

More banana imports from dollar area

By Our Commodities Staff

MORE BANANA imports from the dollar area into Britain are to be permitted to offset an expected shortfall in supplies from other sources, the Department of Trade and Industry announced. A further supplementary quota of 6,500 tons of "dollar area" bananas will be allocated among existing licence holders.

The initial quota for the year from October 1, 1972 to September 30, 1973, was fixed at 14,000 tons, consisting of a basic quota of 4,000 tons plus a supplementary amount of 10,000 tons. Since then three supplementary quotas of 5,000 tons were announced in March, June and August because of shortfalls from the traditional supplying countries in the Caribbean.

EEC moves towards full beef import duties again

BY LORELIES OLSLAGER

BRUSSELS, August 29

THE COMMON MARKET may have to re-introduce full import duties on beef and veal from next Monday. The European Commission will know for certain to-morrow after compiling the latest statistics from cattle markets throughout the EEC.

According to recent price trends however, it looks likely that average wholesale prices in the nine member States will have dropped to 3 per cent. above the official Guide Price, the level which will automatically trigger off the re-introduction of full duties after nearly a year of total or partial suspension, officials said in Brussels to-day.

Tariff cuts

Under the EEC's anti-inflation programme of last year, the 20 per cent. duty on meat was cut to 10, the 16 per cent. duty on live cattle to 8 per cent. and that on live calves suspended altogether. This situation was to have lasted until September 15, but under pressure from France the Ministers of Agriculture decided last month that it would end earlier if the average wholesale price dropped to 103 per cent. of the Guide Price for seven consecutive days.

Last Thursday, the Commission found that the average wholesale price for cattle in the Nine was 3.5 per cent. above the Guide Price. Prices were lowest in Germany with 80.388 units of Account (one Unit of Account equals the old dollar) per 100 kilograms and highest in Italy with 100.578 Units of Account per 100 kilograms.

Although duties will have to be re-introduced under present rules, the Commission still has some weapons in its armoury under a 1972 regulation which was superseded by the anti-inflation decision and which now becomes effective again until September 15.

This regulation allows the EEC to take certain measures, including tariff cuts, if average prices for beef and veal throughout the Community rise to 13 and 10 per cent. respectively above the Guide Price. As the average price for veal is still more than 33 per cent. above the Guide Price, the Commission may consider a new tariff reduction for calves, possibly of 50 per cent.

In any case there will be a time lag before the re-introduction of duties actually takes effect. Seven days have to elapse before duties can be applied to imports from other European countries and 30 days for imports from third countries—this is to allow time for the arrival of meat already in transit.

Compensatory

Robin Reeves adds:—Paradoxically, the re-introduction of EEC import duties may benefit the British housewife by producing a further weakening in British beef prices. The duty payable on beef exports from Britain to the original EEC will go up to 16 per cent. This is the full EEC duty of 20 per cent. minus 4 per cent. for the first stage in Britain's transition to complete EEC price arrangements. By making exports of home produced beef to the Continent less attractive, it could result in more plentiful cheaper supplies on the U.K. market.

The same situation is true for Ireland although in this case, Ireland is less likely to keep the beef at home than to export it to Britain rather than the Continent. As for third country suppliers like Argentina and Australia, although their exports to the U.K. will become subject to a 4 per cent. duty, this duty will be significantly abated by a monetary compensatory amount.

Cutback in coffee exports sought

BY ROBIN REEVES, COMMODITIES EDITOR

THE WORLD coffee producers, now meeting in London, appeared yesterday to be moving towards an agreement to cut back exports of coffee between October and December, in an effort to bolster prices on the world market.

According to statistical estimates, stocks in the hands of consumers at the end of the coffee year (September 30), will be around 13m. bags. Producers consider this figure excessive. They would apparently like to see it reduced by at least 4m. bags, which would mean a global export quota for producers of between 8m. and 9m. bags for the October-December quarter.

Global quota

The large stock in consumers' hands is in some ways a measure of the weakness of producers' recent attempts to limit exports unilaterally following their failure to agree a global quota with consumers last year.

On the other hand, producers can argue that what now looks like excessive shipments has not been at the expense of a decline in their export prices.

Indeed, in the circumstances, coffee prices have been remarkably strong; though the threat of another frost in Brazil has been a strong discouragement against selling coffee short, for much of this year. Nobody was in any doubt that world coffee prices would have gone "through the roof" had this happened again this year—given the present balance of world production, consumption and stocks.

Yet even if producers agree on a cutback in coffee exports during October-December there remains no guarantee that the global quota will be adhered to. The share-out among individual producers is still based on the basic quotas for the first International Coffee Agreement signed in 1962. In these circumstances, it is not surprising that certain countries whose coffee production has expanded feel that a redistribution in their favour is long overdue. Moreover, this partly explains why producers are discussing only one quarter's exports rather than quotas for 12 months as happened when the International Coffee Agreement was operating effectively among both producers and consumers.

WEST MALAYSIAN TIN OUTPUT UP

KUALA LUMPUR, Aug. 29.

WEST MALAYSIAN production of tin concentrates was 135,139 piculs in July, containing 6,162 metric tons tin metal based on the true assay of 75.39 per cent. This compares with production of 123,688 piculs in June, containing 5,627 tons on true assay of 75.23 per cent.

The average daily rate of production was 4,359 (4,123) piculs of tin concentrates.

Deliveries of tin concentrates from mines to smelters were 123,361 (135,710) piculs containing 5,625 metric tons tin metal.

At the end of the month there were 58 (58) dredges, 875 (889) gravel pump mines and 47 (48) other tin mines in operation.

Copper lower again

By John Edwards

COPPER prices lost ground again on the London Metal Exchange. After a volatile day's trading, with values fluctuating wildly, cash wirebars closed last night £15.5 down at £785.5 a metric ton. Significantly the premium of the cash price over the three months quotation again narrowed, adding weight to the theory that the high-interest rates have encouraged de-stocking by consumers as well as selling by speculators.

Once again speculators dominated the market in the absence of significant consumer demand, even at the lower price levels. The rallies staged were based more on covering of previous "short sales" than any resurgence of buying interest. The forced "settlement" of the Canadian railways strike was the only change in the fundamental supply-demand situation, which looks as strong as ever. But, according to the U.S. Copper Institute, world refined copper stocks rose in July as output exceeded deliveries to fabricators by 41,000 short tons.

The continued downturn in copper depressed the zinc and lead markets too, although lead values were held up by the cutbacks in supplies likely to follow the strike at Metallgesellschaft's Braubach lead plant.

Tin prices, however, resisted the downward trend in other metals. A tightening of the scarcity of immediately available supplies pushed the cash price to a greater premium over the three months quotation, and this supply shortage continues to hold market values up.

Food not feed wanted say vegetarians

By Our Commodities Staff

BRITAIN can no longer afford to produce meat according to the Vegetarian Society. It is campaigning for farming both in the U.K. and the rest of the world to concentrate on growing crops for direct consumption rather than in producing the "second-hand protein in flesh meats."

The Society argues that soyabeans can yield protein at 3½p per ounce. When textured to simulate meat, the cost works out at 8.5p an ounce. In contrast, it says that the protein in beef and pork produced from cattle and pigs reared partly on soyabean products, costs about 30p an ounce.

NATIONAL FOOD SURVEY

Britain's growing taste for an expensive diet

BY RICHARD MOONEY

THE EFFECTS of the general increase in affluence during the post-war period on the pattern of U.K. food consumption are clearly illustrated in a long-term survey published by the Ministry of Agriculture to-day.

The period covered is from 1955 (the first full year without rationing) to 1972.

Although the calorific content of our diet has been virtually unchanged throughout the period there has been a definite trend away from cheap bulk foods such as bread and potatoes, and towards the more palatable — and more expensive — high protein foods.

Fresh meat, fruit, eggs, vegetables (excluding potatoes) and dairy products have all moved strongly ahead whereas grain products, visible sugar and potatoes are well below the per capita consumption levels of the mid-fifties.

Fresh meat as finally purchased (lbs. per head)

	1955	1963	1972
Beef and Veal	33.7	34.3	25.7
Mutton and Lamb	23.7	23.1	18.7
Pork	8.4	9.1	11.6
Poultry (including game and rabbit)	6.4	14.0	26.0

Fresh meat

The average consumption per head of fresh meat was 82 lbs last year compared with 72.2 lbs in 1955. The pattern is complicated, however, by a significant increase in the popularity of poultry (including game and rabbit) and pork at the expense of beef, mutton and lamb.

In 1955 the latter group accounted for 79.5 per cent. of fresh meat sales. The consumption figure for beef was 33.7 lbs, and for mutton and lamb 23.7 lbs per head. Last year the figures were 25.7 lbs and 18.7 lbs respectively, representing only 54 per cent. of sales.

Poultry, with a four-fold increase to 26 lbs per head, was the main beneficiary although pork has also risen by 3.2 lbs per head to 11.6 lbs.

Consumption of grain products has decreased steadily from 195.9 lbs per head in 1955 to 158 lbs in 1972. The greater part of this fall is accounted for by the sharp decline in demand for bread, which has slumped from 184.2 lbs per head in 1955 to 118 lbs per head last year.

Rice and breakfast cereals were the only members of the grain products sector to have registered significant advances during the period under review. Rice was up from 1.9 to 3.7 lbs per head, and breakfast cereals from 4.1 to 7.1 lbs per head.

Potato consumption was down from 234.2 to 219.1 lbs per head, but this fall was more than offset by a 17.4 lbs per head increase in sales of other vegetables.

A small increase was seen in per capita consumption of dairy products during the period despite a slackening in demand for liquid milk which fell from 252.5 to 237.9 pints per head.

Total consumption for the dairy sector (in terms of milk solids) increased from 52.7 pounds per head in 1955 to 56.4 pounds in 1972.

Visible sugar sales in 1972 represented 54.1 pounds per head compared with 62.1 pounds in 1955. However, the peak for sugar consumption was in 1965 when sales equalled 65.5 pounds per head.

Other solid food groups to show increases are fruit, up 11.9 pounds per head to 125 pounds, and eggs, which rose from 229 per head in 1955 to 272 last year.

Fish consumption was slightly down at 18.3 pounds per head, but shell fish and imported canned fish both registered increases.

Tea and coffee consumption recorded an aggregate advance of 1.8 pounds per head to 12.4 pounds, but during the period tea has lost a lot of ground to coffee. In 1955 tea sales represented 9.3 pounds per head as against 1.3 pounds for coffee. In 1972 the respective figures were 8 pounds and 4.4 pounds. Both beverages were consumed in smaller quantities in 1972 than in 1971.

A particularly strong sector in the post-rationing years has been alcoholic drinks.

Total consumption has risen from 144.7 to 200.7 pints per head. Although beer accounts for most of this rise the stronger percentage increases have been recorded by wine, which has more than trebled to 8.9 pints per head, and spirits, which has nearly doubled to 3.4 pints per head. All alcoholic drinks continued to move ahead during the 1971-72 period.

In terms of percentage of total energy supply per head the most significant change over the period has been a 5 per cent. fall in the contribution of grain products.

In more general terms the average Briton's diet is now made up of 11 per cent. protein, 42 per cent. fat and 47 per cent. carbohydrate. In 1955 the figures were 10, 40 and 50 per cent. respectively.

Commodity shortage to continue

BY OUR COMMODITIES STAFF

CONTINUING SUPPLY shortages and high prices for the main commodities during the 1973-74 crop season are forecast by the U.N. Food and Agriculture Organisation's annual review issued in Rome yesterday.

The review states that while world wheat production is expected to be significantly higher in 1973-74 than last year, exportable supplies will still be smaller than import demand. Since stocks were at the lowest level for 20 years, any substantial deterioration in crop prospects could easily result in a serious shortage developing.

Supplies of coarse grains will be dependent on the size of the U.S. 1973 maize crop, the report states. In any event continuing demand from Russia, China and India and the low level of stocks in exporting countries indicates that trading volumes and prices will remain high.

The world meat shortage is expected to ease during the rest of 1973 and in 1974. But, the review points out, demand for meat is growing faster than many other foodstuffs as incomes rise.

World sugar prices are likely to remain high, FAO forecasts, unless the 1973-74 crop is exceptionally large.

COMMODITY MARKET REPORTS AND PRICES

BASE METALS

Base metal markets on the London Metal Exchange, with the exception of Tin, were again subjected to speculative influences, the higher interest rates continuing to prompt a general move out of metals. In Copper, forward metal opened [illegible]

East German and Continental consumer demand was countered by selling from U.K. counterparts. The recovery was initiated by short-covering and a firmer than expected U.S. market. Turnover 17,175 metric tons.

Amalgamated Metal Group reported that in the morning cash wirebars traded at £777, late-Sept. £780, three months £762 [illegible] Oct. £772, three months £760, 59, 58, 59, 60, 59, 60, 58, 60, 61, 62, 61, 61.5, 62. Kerbs: Bars: early-Sept. £785, three months £763 to 75 to 66.

TIN — Firmer. The technically tight nearby supply situation continued to underpin the market and caused a widening of the backwardation. Hedge buying and a modest rise in Penang overnight aided the trend. Turnover 390 tons.

Morning: three months £1,975, 78, 79, 75, 77. Kerb: three months £1,975. After- [illegible]

... at £778 in pre-market trading and fell to £758 in the Ring before recovering to £776 only to end at £768 on the afternoon Kerb. A further narrowing of the backwardation was a dampening factor while [illegible]

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	2005-10	—6	2015-20	+15.5
3 months	1977-8	—7	1980-2	+7.5
S'ment	2010	—5	—	...
Straits E.	[illegible]	[illegible]	—	...
New York	—	...	[illegible]	...

... tons were reported to have been fixed for grain from the U.S. Gulf to Tokyo-Hakata range at $15 f.i.o. for Jan., Feb. and March. Other grain bookings included British Columbia or U.S. North Pacific to Japan at $18.75 free discharge for Nov.-Dec. and a cargo from the U.S. Gulf to Bandar Shapur at $25 f.d. for Sept.-Oct. Grain shippers also covered a cargo from the U.S. Gulf to Germany [illegible]

(GAFTA)—Wheat steady. Close: Sept. 56.90, Nov. 58.00, Jan. 60.65, March 61.65, May 63.55. Business: Sept. 57.05-56.80, Nov. 58.10-57.45, Jan. 60.65-59.70, March 61.65-60.90, May 63.00. Barley, steady. Close: Sept. 46.10, Nov. 48.25, Jan. 51.30, March 54.00, May 56.00. Business: Sept. 46.40-45.75, Nov. 48.60-47.65, Jan. 51.30-50.30, March 54.00-53.00, May 56.00-55.60.

HGCA—Location average ex-farm spot [illegible]

... forequarters 20.0 to 21.0, Eire hindquarters 32.5 to 34.5 forequarters 20.0 to 22.00. Argentine chilled boneless cuts: strip loins 80.0, rumps 62.0 to 64.0, top sides 45.0 to 46.0, silversides 43.0 to 44.5, thicks 42.0 to 44.0.

Veal: English fats 42.0 to 44.0, Dutch hinds and ends 60.0 to 63.0.

Lamb: English medium 28.0 to 30.0, heavy 25.0 to 27.0, Scottish medium 28.0 [illegible]

COFFEE

SILVER

RUBBER

COCOA

GRAINS

SUGAR

WOOL FUTURES

JUTE

MEAT/VEGETABLES

FREIGHTS

PRICE CHANGES

Prices per ton unless otherwise stated.

	Aug. 29 1973	+ or —	Month ago
Metals			
Aluminium	£250	....	£250
Free market cif	£300-305	....	£290
Copper			

INDICES

FINANCIAL TIMES

REUTER'S

DOW JONES

MOODY'S

U.S. Markets

NEW YORK, August 29.

SPECULATIVE SELLING spilled out in the opening causing a decline limit down in cocoa. But this attracted manufacturer and trade buying which halved the losses. Copper opened lower but rallied sharply on trade and arbitrage buying [illegible]

WALL STREET + OVERSEAS MARKETS + FOREIGN EXCHANGES

Dow rises 11 with volume up 3.88m.

BY OUR WALL STREET CORRESPONDENT

NEW YORK, August 29.

A SHARP UPWARD movement developed on Wall Street to-day, following some bargain hunting and other buying in anticipation of a post-Labour Day (Monday, September 3) rally.

The Dow Jones Industrial Average moved ahead 11.36 to 883.43 and the NYSE All Common Index rose 32 cents to $55.39, while gains led losses by 995 to 420. Trading volume sharply expanded 3.88m. shares to 15.69m.

Some investors were impressed with the Stock Market's recent slow but persistent gain despite low volume and adverse news including a prime rate increase to 9¾ per cent. They added that some buying may have been inspired by continued declines in Food Commodity prices.

In the economic news, the dollar fell sharply against European currencies.

Bonds closed firm, with continued small Institutional buying in the face of the extremely light calendar, which forced the covering of further short positions and pushed prices ahead.

Blue Chips and "Glamours" rose. Xerox tacked on $2¾ at $155½. Procter and Gamble $2½ at $101⅞. Dow Chemical $1½ at $54⅞. Disney $1⅞ at $87⅞. Schlumberger $2¾ at $118½, Standard Oil California $3 at $66¼, and Getty Oil $3½ at $116½.

Polaroid moved up $4⅞ to $118½—it will start nationwide dealer deliveries of its SX-70 camera on September 24.

Crown Zellerbach rose $¾ to $31—workers at four mills have ratified a new contract.

Hoerner Waldorf were $2 higher at $33—it plans to spend $40m. on expansio of its Missoula, Mont., paper mill.

Paper issues responded to the *Canadian Parliament special* session to-morrow aimed at ending the Canadian Rail strike that has curtailed many mills.

Mead picked up $1⅜ to $17½, International Paper $¾ to $43¾, Scott Paper $¾ to $16⅛, Hammermill Paper $1 to $16½, Union Camp $⅞ to $54⅝, Fibreboard $1⅛ to $16⅜, Kimberley Clark $2⅛ to $43 and St. Regis Paper $⅞ to $46.

Westvaco added $1⅞ at $32⅞ on a raised quarterly dividend to 27½ (26¼) cents per share

Alcoa added $2¼ at $70⅜—it will increase minimum aluminium contract orders, effective September 1.

Gold shares advanced, spurred by higher London bullion prices. Asa picked up $1 to $44⅜, Campbell Red Lake $¾ to $54½ and Homestake Mining $½ to $41⅞.

Digital Equipment lost $1½ to $88 on plans to offer 750,000 Common shares.

Clorox fell $2⅞ to $19⅞—it expects 1974 first quarter earnings to be below this year's 25 cents a share.

Savings and Loan Associations were generally strong. First Charter Financial gained $1½ to $15⅜, Great Western Financial $1⅝ to $17⅞ and Gibraltar $1⅞ to $15⅞.

The American SE Index rose 6 cents to $22.89, while advancing issues outpaced decliners by 450 to 387 in a volume of 1.889m. (1,527m.) shares.

OTHER MARKETS

Canada higher

Canadian Stock Markets were moderately higher in steady trading yesterday.

The Industrial Share Index rose 0.25 to 214.51. Golds advanced 1.45 to 261.48, Base Metals firmed 0.02 to 100.97, Western Oils improved 1.12 to 249.73 and Papers *firmed 0.37 to 127.52.* But Banks shed 0.21 to 265.25 and Utilities eased 0.28 to 140.68.

Consolidated Bathurst were up $1 at $25 but Crown Trust declined $1½ to $26.

PARIS—Market was hesitant, with investors awaiting possible developments after to-day's Cabinet meeting, the first this month.

Banks and Foods were firm, with Cie Bancaire, Carrefour, Gervais Danone and Lesieur each gaining ground. Portfolio Companies, Buildings, Motors and Rubbers drifted slightly lower, although Kleber improved. Engineerings and Electricals were mixed. *Galeries Lafayette shed Frs.6.5 to* 135.5 in easier Stores. Metals and Chemicals were little changed.

In Foreign issues, Americans and Canadians were mixed. Oils and Dutch issues were well maintained. Germans and Coppers resisted, while Golds firmed.

BRUSSELS — Market moved irregularly lower in very quiet dealings. Traction et Electricite and Acec each gained ground in Electricals, while Clabecq and Hainaut Sambre each rose in Steels. Hoboken shed Frs.85 to 4,900 and Vieille Montagne eased Frs.40 to 3,260 in Minings. Solvay dipped Frs.35 to 2,740 in Chemicals.

Golds firmed and Dutch stocks rose. Bamanglo, Canadian Pacific and Genstar each eased.

SWITZERLAND — Markets recovered in continued subdued trading, but gains were generally small.

Banks and Financials firmed, with Conti "A" markedly higher Insurances were irregular. Small gains predominated in Industrials. Sandoz rose Frs.20 to 3,080 in firmer Chemicals.

State Bonds eased.

In the Foreign sector, Dollar stocks were narrowly mixed in moderate trading. Dutch Internationals firmed, led by Unilever. Germans were well maintained.

AMSTERDAM — Dutch Internationals firmed, led by Unilever which advanced Fl.4.3 to 126.80 on local and British demand.

Plantations were mainly firm, as were Shippings which were led by Scheepvaart Unie. Domestic issues also gained ground, including the three merger partners Centrale Suiker, Meneba and Gist-Brocades.

Banks held steady. Investment Funds were little changed, while Insurances improved.

Dutch State Loans were mixed in quiet dealings.

OSLO—Prices generally eased.

COPENHAGEN—Slightly firmer in moderate dealings.

VIENNA—Firm trend in limited trading.

GERMANY — Markets reacted slightly in the absence of Foreign and institutional demand.

Banks, Motors and Stores lost ground, but Chemicals were up slightly with the exception of Schering, which lost DM3 to DM430. Buildings were mixed. *Public* Loans were very steady.

MILAN—Narrowly mixed in quiet trading.

In leading Industrials Fiat, Olivetti, Pirelli and Finsider each fell back, while *Pirelli*, ANIC and Snia Viscosa were each marginally higher. *Assicurazioni* Generali rose *Lire* 540 to 73,050 but in Insurances, IFI privileged and Bastogi each eased marginally in Financials.

Bonds were barely steady in quieter dealings.

TOKYO—Firmer trend in a volume of 120m. (90m.) shares.

Chemicals and some Oil-Resource Related issues led the market.

Nippon Soda rose Y20 to 228, Ishihara Sangyo advanced Y10 to 275, Tokuyama Soda gained Y17 to 299, Toagosei *Chemical* put on Y15 to 134 and Sumitomo Chemical moved up Y7 to 178.

Daikyu Oil rose Y15 to 272, Showa Oil gained Y7 to 301, and Maruzen Oil advanced Y7 to 279. But Toa Oil declined Y25 to 365, and Teijin fell Y5 to 305.

Foodstuff, Synthetic Fibre and Machinery issues were firm.

Sony advanced Y110 to 4,610, Honda Motor put on Y22 to 740, and Bridgestone Tire gained 16 to 604.

AUSTRALIA—Share prices took another hammering, with several leaders in each sector suffering substantial losses.

In Minings Poseidon plunged 80 cents to $A6.10 while CRA fell 30 cents to $A5.45.

Hamersley dropped 8 cents to $A1.69. *Peko-Wallsend shed 12* cents to $A5.12, while Bougainville gave way 13 cents to $A2.44 and North Broken Hill shed 9 cents to $A1.45.

Gold Mines of Kalgoorlie lost 8 cents to $A1.30.

In Industrials, BHP were down 37 cents to $A7.55 and Myer 35 cents to $A2.51.

Bank of NSW declined 20 cents to $A7.60 and CBC fell 16 cents to $A3.20.

Philip Morris lost 20 cents to $A7.30 and Amatil 15 cents to $A2.45.

Tooheys dipped 22 cents to $A2.08 but Tooths picked up 5 cents to $A3.11. Comalco dropped 10 cents to $A2.30, C. J. Coles declined 8 cents to $A1.55 and Waltons down 5 cents to $A2.24.

Among Oils, Woodside Burmah lost 10 cents to $A1.45.

JOHANNESBURG — Selective Gold shares firmed following some small local and overseas support, with the higher Bullion [illegible] aiding sentiment.

Platinums were mixed in [illegible] dealings. Other Metals [illegible] Minerals were dull, while Co[illegible] share Palamin fell 10 cents [illegible] R10.50. Mining Financials [illegible] little changed. An exception "Johnnies," up 30 cents to [illegible] following its results and P[illegible] comment.

Industrials were steady, [illegible] small changes either way.

Dollar weaker

The U.S. dollar fell back yesterday against major currencies in general, reversing the previous day's trend. *Sterling improved* against the dollar on balance, to end in London inter-bank dealings at $2.4645-2.4655, against the previous $2.4580-2.4590. But the pound's gain in terms of the dollar was less sharp than those *recorded* by most other major currencies, and the trade-weighted average depreciation in sterling since the Washington Currency Agreement of December, 1971, widened to 17.07 per cent, from Tuesday's 16.88 per cent. There was more activity in some quarters than there had been on Tuesday, but conditions were still fairly quiet. A strong demand for German marks on short-term deposit weighed against the dollar, with weekend Euro-marks worth up to about 13-14 per cent. With the spot settlement falling on the last day of the month (to-morrow), and with New York on holiday on Monday, call Euro-currency rates were not readily available in all cases, while forward premiums had to be adjusted to allow for end-month and weekend factors.

The one-month discount on sterling narrowed 0.03c. to 0.88c., the 3-month 0.10c. to 2.75c., the the 6-month 0.10c. to 4.75c., the the 12-month 0.15c. to 8.20c.

The dollar fell 285 points on balance in terms of the German mark, to DM2.4413. Swiss francs rose 225 points to Frs.3.0225, Dutch guilders 235 points to Fls.2.6765, French *commercial* francs 350 points to Frs.3.3075, and French financial francs 500 points to Frs.4.3500. Italian lire gained lire 1 to lire 588 on commercial account, but lost lire 4 to lire 591½ on financial account. Other London closing dollar rates included: Belgian convertible francs 37.47½, and financial 37.90; Japanese yen 265½; Swedish kronor 4.1950; Danish kroner 5.7850; and Norwegian kroner 5.5850.

Gold rose further on balance *in London to $106½-108 an ounce,* from Tuesday's $103¾-105¾, in moderate business, with a seasonal revival in European industrial demand playing some part. The metal opened at 104-105½, while the morning fixing was at $105.50 (£42.829), and the afternoon $107.30 (£43.559). New sovereigns ended at $31-32, and old at $32-[illegible] while double Eagles were at $1[illegible]-172, single at $87-90, and half $50-54, with 20-mark pieces 43-47.

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus *	Util. ф	Trading volume ¶ 000's
Aug. 29	71.61	157.50	883.43	95.22	15,690
28	71.64	155.25	872.07	95.28	11,810
27	71.60	155.64	870.71	94.84	9,740
24	71.49	154.44	863.49	95.16	11,200
23	71.47	165.67	864.46	95.00	11,390
22	71.55	151.97	851.90	94.55	10,770
21	71.44	152.26	857.84	95.03	11,430
20	71.58	154.48	867.40	95.16	8,970
17	71.46	155.37	871.84	95.12	11,110
16	71.52	156.07	872.74	94.55	12,960
15	71.53	157.05	874.17	94.64	12,040
14	71.40	156.41	870.71	94.64	11,740
13	71.46	157.81	885.20	95.12	11,550
10	71.57	159.85	892.52	96.08	10,870
9	71.74	159.74	901.49	96.02	12,880
8	71.67	169.51	902.02	96.24	12,440
1973 High	75.54 (18/1)	228.10 (5/1)	1051.70 (11/1)	120.72 (2/1)	—
Low	71.35 (15/8)	151.97 (22/8)	851.90 (22/8)	94.56 (16/8)	—

* All-time high 1051.70 (11/1/73).
† All-time high 279.88 (7/2/69).
ф All-time high 163.32 (20/4/65).
¶ Excluding bonds.

IND. DIVIDEND YIELD p.c.

Aug. 24	Aug. 17	Aug. 25, 1972
3.89	3.85	3.25

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1973 High	1973 Low	Wed.	Tues.	Mon.	Fri.	Thurs
65.48 (11/1)	55.56 (6/7)	55.39	54.87	54.58	54.18	54.27

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,763	995	420	348

	Wed.	Tues.	Mon.	Fri.	Thurs
New Highs	2	12	4	5	5
Lows	43	48	67	73	65

AMERICAN SE ALL STOCKS AVERAGE

	1973 High	1973 Low	Wed.	Tues.	Mon.	Fri.	Thurs
	26.64 (5/1)	22.20 (25/6)	22.89	22.83	22.82	22.81	22.81
Volume (000's)			1,880	1,527	1,320	1,550	1,570

STANDARD AND POORS U.S. STOCK INDICES

	*Ind. Ord.	†Composite
Aug. 29	117.07	104.03
28	115.89	103.02
27	115.18	102.42
24	114.23	101.83
23	114.61	101.91
22	112.97	100.53
21	113.36	100.89
20	114.21	101.61
17	115.04	102.31
16	115.04	102.29
1973 High	134.03 (5/1)	120.17 (5/1)
1973 Low	112.97 (22/8)	100.53 (22/8)

* 425 Industrials. † 425 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Aug. 22	Aug. 15	Aug. 23 1972
Ind. Ord. yield pc	2.98	2.83	2.53
Ind. Ord. p/e ratio	15.35	15.72	19.41
Long-term Govt. Bds. pc	6.58	6.55	5.52

WEDNESDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Cooper Laboratories	341,400	7⅞	—
Champion Inter.	218,400	19⅞	+1½
Fed. Nat. Mort.	214,400	19½	+⅞
Lilly Eli	151,400	80	−3⅞
Amer. Tel. and Tel.	143,800	47⅞	+1
Inter. Paper	133,300	43¾	+⅞
Goodyear Tire	124,800	22	+1
General Motors	120,200	63⅛	−2¼
Ford Motor	115,000	54½	+½
Bristol Myers	112,100	60	+⅞

TORONTO

INDUSTRIAL INDEX

Aug. 29	Aug. 28	1973 High	1973 Low
214.51	214.26	228.50 (12/1)	202.43 (22/8)

MONTREAL

INDUSTRIAL INDEX

Aug. 29	Aug. 28	1973 High	1973 Low
245.66	244.90	255.72 (12/1)	206.83 (22/5)

COMBINED INDEX

Aug. 29	Aug. 28	1973 High	1973 Low
227.44	227.00	240.25 (12/1)	208.83 (22/5)

JOHANNESBURG

	Aug. 29	Aug. 28	High	Low
Industrials	250.1	250.4	292.1 (10/7)	236.6 (8/2)
Gold	193.5	195.0	237.7 (6/1)	123.4 (10/4)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 80 Lending Stocks	Aug. 23	Aug. 16	Aug. 9
On Dividends	4.65	4.71	4.67
On Earnings	40	7.41	7.30

SYDNEY ALL ORD. INDEX

Aug. 29	Aug. 28	High 1973	Low 1973
500.52	520.06	[illegible]	526.06 (28/8)

HONG KONG INDEX*

Aug. 29	Aug. 28	High 1973	Low 1973
606.53	611.37	[illegible] (9/3)	494.60 (11/7)

SINGAPORE INDEX §

Aug. 29	Aug. 28	High 1973	Low 1973
306.57	305.55	[illegible]	[illegible]

TOKYO NEW SE INDEX†

Base=100 January 4, 1968.

Aug. 29	Aug. 28	Div. %	Yield %
369.96	368.52	[illegible]	1.96

	High	Low
1973	422.43 (24/1)	340.11 (25/4)

EUROPE

	Aug. 29	Previous	1973 High	1973 Low
Belg'm (m)	120.69	130.51	142.56 (22/6)	128.11 (2/1)
Denm'rk (c)	127.29	127.09	128.95 (10/8)	120.28 (8/7)
France (bb)	84.1	84.2	88.9 (4/6)	79.3 (6/1)
Germany**	93.17	93.62	120.71 (23/3)	89.50 (27/7)
Holland (o)	147.5	147.3	171.9 (13/4)	144.1 (23/8)
Italy†	119.52	119.52	147.28 (19/6)	98.25 (16/4)
Sweden (p)	361.32	362.77	388.84 (10/7)	350.48 (2/1)
Switzer'l'd	348.5	549.1	460.1 (2/1)	348.9 (2/8)

* Herstatt Index Base Dec. 31, 1959. ‡ Base 100 Jan. 2, 1973. ** Swiss Bank Corporation Index base 100 Dec., 1968. (c) Closed. (m) Base 1963. (o) Base 100 1963. (p) Base Dec. 29, 1956. (bb) Paris Bourse Committee, base 100 1962. (d) Base 100 January 1, 1973. † Base 100 Jan. 4, 1968. ф Hang Seng Bank, base 100 July 31, 1964. § Straits Times Industrial, base 100 1966.

EXCHANGE CROSS-RATES

Aug. 29	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	—	2.442-444	56.70-90	6.519-532	6.031-042	91.20-35	80.85-.05
N. York	41.0-05	—	23.25-28	2.67-80	2.4635-4645	37.37-42	33.11-19
Paris (c)	176.400-425	4.3140-87	—	11.480-515	10.6275-645	162.35	142.45-82
Brussels	15.3275-340	37.50-66	3.69-.7025	—	92.49-54	13.995-.0075	12.41½-423
London	6.01½-02½	2.4645-55	10.61-62	92.25-60	—	8.59½-60½	7.44½-46½
Amt'dam	109.616-665	2.6802-27	62.175-225	7.1525-75	6.6065-6105	—	88.68-75
Zurich	123.70-.06	3.020-025	70.27-54	8.05-08	7.4770-92	113.18-50	—

U.S. $ in Montreal 0.9950-55 Canadian $ in New York 1.0050-54 U.S. $ in Milan 566.00. Sterling in Milan 1394.55. (c) Commercial. (u) Unavailable.

EURO-CURRENCY INTEREST RATES ◆

Aug. 29 1973	Sterling	U.S. Dollar	Canadian dollar	Dutch guilders	W. German mark	Swiss franc
‡Short-term	12¾-13¼	—	7⅜-7⅝	8¾-9	—	—
7 days' notice	—	10½-11	7½-7¾	8¾-9	10½-11½	4-4½
Month	15⅛-15⅝	10⅞-11⅜	8⅛-8⅝	10-10½	8-8¾	5¼-5¾
Three months	15¾-16¼	11⅜-11⅞	8¾-9	10⅜-10⅝	8-8⅜	5¼-5⅝
Six months	15¼-15¾	11¼-11¾	9¼-9½	10-10⅜	8⅛-8⅜	5⅞-6½
One year	14-14½	10½-11	9¼-9½	9⅛-9½	8⅛-8½	5⅝-6⅞

Long-term certificate rates as follows: two years 9⅞-10 per cent.; three years 9-9⅞ per cent.; four years 9⅝-9⅞ per cent.; and five years 9½-9⅞ per cent.

The following nominal rates were quoted for London dollar certificates of deposit: one month 11⅛-11⅜ per cent.; three months 11⅜-11⁹⁄₁₆ per cent.; six months 11⅞-11⅝ per cent.; one year 11-10¹³⁄₁₆ per cent.

◆ Rates are nominal closing rates.

‡ Short-term rates are call for sterling, U.S. dollars and Canadian dollars are two days' notice for guilders, marks and Swiss francs.

FOREIGN EXCHANGES

Aug. 29 1973	Bank Rate %	Market Rates: Day's Spread	Close
New York	7½	2.4580-.4655	2.4645-[illegible]
Montreal	8¾	2.4695-.4760	2.4745-[illegible]
Amst'dam	6½	[illegible] 58-6.66	[illegible]
†Brussels	6½	92.2-93.10	92.25-[illegible]
Copen'gen	8	14.21-14.28	14.24-[illegible]
Frankf'rt	7	6.01-6.07	6.01½-[illegible]
Lisbon	5¾	56.70-58.00	57.40-[illegible]
Madrid	6½	139.55-140.28	139.85-[illegible]
◆Milan	4	1,392-1,398	1,394-[illegible]
Oslo	4½	13.72-13.78	13.75-[illegible]

Forward rates (part): Stock'lm 8¾-5¾ c. pm, 17⅞-14¾ [illegible]; Vienna 50 gro. pm-10 dis, 90-50 gro.; Zurich 7¾-6¾ c. pm, 20¾-18¾ [illegible].

OVERSEAS SHARE INFORMATION

Investment $ premium based on *$2.60 per £1—31¼% (30¾%).* Conversion factor 0.8061 (0.8124).

NEW YORK

Stock	Aug. 29	Aug. 28
Acme Markets	19⅝	19⅞
Addressograph	13⅝	12¾
Adobe	8⅝	8¼
Aetna Life & Cas	73½	72
Air Products	43¾	43⅝
Aireo	11⅝	11⅝
Alcan Aluminium	32⅝	32¾
A.L.C.O.A.	70⅜	68¼
Continental Tele.	19¾	19⅛
Control Data	35¾	34¼
Copper Range	18	17
Corning Glass	107½	106¼
CPC Internation'l	28¼	28⅞
Crane	16⅝	16
Creole Petrolm.	17¾	17½
Crocker Nat. C. P.	22⅞	23
Crown Zellerbach	32⅝	31⅞
Cummins Engine	41½	39¼
Curtiss-Wright	21	22⅝
Joy Manufactu'g	51¼	53½
Kaiser Alumin'm	28½	20½
Kaiser Industries	6⅝	7
Kaiser Steel	13⅝	13½
Kay	8	8
Kennecott	31⅛	30¼
Kerr McGee	61¼	61⅛
Kidde (Walter)	19⅞	19¼
Kimberly-Clark	43	40⅞
Koppers	31¼	32
Kratteo	41⅝	41⅜
Raytheon	24⅝	24½
RCA	23⅝	23⅛
Reading	1⅛	1¼
Republic Steel	22¼	21⅞
Revlon	65⅜	64½
Reynolds Metals	15½	14½
Reynolds RJ Ind	45¼	44⅛
Rich-Merrell	66¾	66¼
Roan Selection T.	5⅞	5⅞
Rockwell Inter.	27¾	27⅝
Rohm & Haas	94	91¼
Zapata	20⅝	20¼
Zenith Radio	36⅛	35½
World-wide Sec.	[illegible]	58½
Chile 3% 1993	†57⅞	57⅞
Peru 3% 1997	†90⅝	†90⅝
U.S. Treas 4¼% 1974	†97⅞	†97⅝
U.S. Treas 4% 1980	†82¾	†81¾
US Treas 4¼% 75/85	†81¼	†76¾
U.S. 91 day bills	8.57½%	8.73%

CANADA

AMSTERDAM

Aug. 29	Price Fls.	+ or −	Div. %	Yld. %
Akzo (Fl.20)	69.5	−0.2	18	5.2
Alg Bk Ned Fl.100	316.8	+2.8	18	5.7
AMAS (Fl. 10)	53			

GERMANY ◆

Aug. 29	Prices Dm	+ or −	Div. %	Yld. %
A.E.G.	96.8	+0.2	10	5.2
Allianz Versich.	417	[illegible]	[illegible]	[illegible]

AUSTRALIA

Aug. 29	Aus $	+ or −
Acrow Australia	1.14	+0.01
AdelaideBrightonCem't5/-	1.70	

COPENHAGEN

Aug. 29	Price Kroner	+ or −	Div. %
Burmeister & W.	130½	+½	—
Cop. Handelsbank	238½	+½	11
Dan. Landmands	258½	+½	12
Dan. Provinsbank	223¾	+1½	11
Dan. Sukkerfab.	501	+10	15
Superfos A.-S.	531¼	−¼	12
East Asiatic Rht.	354	−1	14
Finansbanken	252	+¾	13
For. Bryggerier	540½		16

JOHANNESBURG

BRUSSELS

PARIS

STOCKHOLM

TOKYO ¶

Source Nikko Securities, Tokyo.

SWITZERLAND ◆

MILAN

OSLO ◆

SPAIN

VIENNA

NOTES: Overseas prices [illegible] premium. Belgian dividends are [illegible] after withholding tax.

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The successful candidate will be a man with a constructive approach to situations and with the ability to work closely with the trading departments. He will have banking experience and/or an accounting qualification.

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Applicants should be currently earning at least £3,000 p.a. A car will be provided and pension rights are available after a qualifying period. Please write giving full personal information and career history to: N. R. K. Shephard, Director, Manchester Exchange and Investment Bank Ltd., Shelley House, Noble Street, London EC2V 7JQ.

COMPANY NOTICES

F. AUSTIN (LEYTON) LIMITED

NOTICE IS HEREBY GIVEN that the Transfer Books will be CLOSED from 25 October to 2 November, 1973, inclusive, for the preparation of dividend warrants.

By Order of the Board,
T. REES, Director and Secretary.

BRAZILIAN STERLING LOANS: DECREE LAW NO. 6019

N. M. ROTHSCHILD & SONS LIMITED announce that for the Sinking Funds of September 1973 the following nominal amounts of Plan A Bonds have been PURCHASED for REDEMPTION:—

State of Minas Geraes 6½% 30-year External Sterling Loan of 1928 .... £2,800
State of Parana 7% Consolidated Bonds £2,000

New Court, St. Swithin's Lane, London EC4P 4DU
30th August 1973.

J. W. CAMERON & CO., LIMITED

NOTICE IS HEREBY GIVEN that the Transfer Books of the company's 4¼% Debenture Stock 1973/83, 6¼% Debenture Stock 1978/83 and 6¾% Debenture Stock 1988/93 will be CLOSED from 6th September to 19th September 1973, both dates inclusive.

By Order of the Board,
G. USHER, Secretary.
Greenbank Offices, Lion Brewery, Hartlepool, Co. Durham.

HENRY DENNY AND SONS LIMITED

Notice is hereby given that the Transfer Books of the Preference Shares of this Company will be closed from 15th September, 1973 to 30th September, 1973, both dates inclusive.

T. L. Baldwin, Secretary.
Battlebridge House, Tooley Street, London, SE1 2RJ.

Bearer Depositary Receipts representing cumulative preferred stock series K of

INTERNATIONAL TELEPHONE AND TELEGRAPH CORPORATION

A distribution of $1.00 per depositary share will be made payable on and after September 6 1973, upon presentation of the coupon No 13 at the office of the Depositary, 23, Wall Street, New York or at the option of the presentor at Morgan Guaranty Trust Co of New York, 27 Avenue des Arts, Brussels, or 82 Frankrijklei Antwerp and at the Banque Generale du Luxembourg S.A., 14, rue Aldringer, Luxembourg, at the designated rate less applicable United States Withholding Tax determined by the country of residence of the presentor and any other applicable tax.

MONO CONTAINERS LIMITED

Notice is hereby given that the Transfer Books of the Preference Shares of the Company will be closed from Monday 3rd September, 1973 to Thursday 6th September 1973, both dates inclusive, for dividend purposes.

By Order of the Board,
G. E. N. Dunning, Secretary.
Reg. Office, Mole House, Field End Road, Eastcote, Ruislip, Middlesex, HA4 9LY.

M. L. HOLDINGS LIMITED

7% Cumulative Red. Preference Shares of £1 and Ordinary Shares of 25p

NOTICE IS HEREBY GIVEN that the Transfer Books and Registers of Members will be CLOSED from the 14th September to the 24th September, 1973, both dates inclusive.

By order of the Board
C. H. Jones, Secretary

NEW CENTRAL WITWATERSRAND AREAS LIMITED

(Incorporated in the Republic of South Africa)

Declaration of Dividend No. 16

Further to the dividend notice advertised in the Press on the 19th July, 1973 the conversion rate applicable to payments in United Kingdom currency in respect of the above mentioned dividend is £1 = R1.651665 equivalent to 6.65994p per share.

The effective rate of South African Non-Resident Shareholders' Tax is 13.344 per cent.

For and on behalf of
ANGLO AMERICAN CORPORATION OF SOUTH AFRICA, LIMITED.
London Secretaries.
D. H. J. PATTISON.

London Office:
40, Holborn Viaduct, EC1P 1AJ.
Office of the United Kingdom Transfer Secretaries:
Charter Consolidated Limited,
Kent House
Station Road,
Ashford, Kent.
TN23 1QB.
29th August, 1973.

PEARL ASSURANCE COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the ORDINARY STOCK REGISTER of the above named Company will be CLOSED from Saturday 24th November, 1973 to Saturday 1st December, 1973 both days inclusive, except for the purpose of dealing with transfers and transmissions lodged with the Company prior to the 24th November, 1973.

By Order of the Board.
T. J. LEECH, Secretary.
High Holborn,
LONDON. WC1V 7EB.
29th August, 1973.

RANSOMES SIMS & JEFFERIES, LIMITED

NOTICE IS HEREBY GIVEN that the TRANSFER REGISTER for the PREFERENCE SHARES will be CLOSED from the 31st August, 1973, to the 14th September 1973, both dates inclusive, for the preparation of dividend warrants.

By Order of the Board,
R. L. DODSWORTH, Secretary.
Nacton Works, Ipswich.

CINEMAS (Contd.)

PRINCE CHARLES, Leic. Sq. 437 8181. LAST TANGO IN PARIS (X). Sep. perfs. dly. (incl. Sun.). 2.45, 6.15, 9.00, 11.45. Box Office Open Daily. All seats bookable

RIALTO. 437 3488. FIST OF FURY (X). Progs. 1.30, 3.40, 5.55, 8.10.

SCENE 4, Swiss Centre, Leic. Sq. 439 4470. THE CANTERBURY TALES (X). Sep. perfs. dly (inc. Sun.). 12.30, 3.00, 6.15, 9.10, 12.00. Bookable.

STUDIO ONE, Oxford Circus. 437 3300. NOW SEE JAN-MICHAEL VINCENT in Walt Disney's THE WORLD'S GREATEST ATHLETE (U). Progs. 12.15, 2.45, 5.25, 8.00 p.m.

STUDIO TWO, Oxford Circus. 437 3300. THE DISCREET CHARM OF THE BOURGEOISE (AA). Progs. 1.40, 3.50, 6.05, 8.25.

UNIVERSAL, Lower Regent St. 930 8944. JESUS CHRIST SUPERSTAR (A). Progs. 2.00, 4.15, 6.30, 8.45. Late show Fri. & Sat. 11.30 p.m. Sep. Perfs. All seats bookable.

WARNER RENDEZVOUS, Leics. Square. 439 0791. MALCOLM McDOWELL in Lindsay Anderson's O LUCKY MAN! (X). Sep. perfs. Weekdays 2.00, 5.05, 8.10. Suns. 3.30, 7.30. Late Fri. and Sat. 11.25 p.m. All Bookable.

WARNER WEST END, Leics. Sq. 439 0791. Jane Fonda, Donald Sutherland STEELYARD BLUES (X). Progs. 2.05, 4.10, 6.15, 8.25. Late Fri. and Sat. 11.00 p.m

GENERAL APPOINTMENT

MEDIUM SIZED STOCKBROKERS REQUIRE EXPERIENCED

CONTRACT CLERK

salary by negotiation, bonuses, luncheon vouchers. Please telephone Mr. Parrington 248 1057

Town hall pay rises approved

BY NOEL HOWELL, LABOUR REPORTER

THE Pay Board has given the go-ahead for Phase Two rises for some 320,000 local government white collar staff.

The deal, agreed earlier this summer, provides for increases just with the £1 plus 4 per cent. limit to be backdated to July 1.

For younger town hall staff, the agreement gives increases of at least £90 a year at 21 on the current minimum of £936, ranging to £243 a year for top paid staff previously earning just over £5,000 a year.

For staff in the administrative and professional grades on £2,100 a year, the deal will mean £135 a year more. Highest paid town hall staff have received slightly less than the £250 a year ceiling permitted by Phase Two to accommodate the cost of extra leave for some grades, agreed last year but not implemented until earlier this year.

The major union involved in the deal is the National and Local Government Officers Association, bu the other unions include the white collar sections of the General and Municipal Workers Union and the Transport and General Workers' Union, the National Union of Public Employees, and the Confederation of Health Service Employees.

Local authority white collar unions are also seeking an increase of £400 a year on the present inner London allowance of £144 a year and the outer London allowance of £105 a year though this claim is likely to have to await the announcement of Phase Three policy.

● The Pay Board has approved increases for 20,000 workers in the narrow fabrics industry. Rates for adult workers will go up by £1.92 for a 40-hour week from September 10, with proportionate rises for juveniles.

The qualifying period for payment for statutory holidays will also be reduced from eight to two weeks, and overtime will be calculated on a daily instead of a weekly basis.

ASTMS warning on unofficial action

BY OUR LABOUR STAFF

THE ASSOCIATION of Scientific, Technical and Managerial Staffs has sent out a reminder to its local officials of the union's emergency procedures for declaring official industrial action following a number of stoppages by members acting without official permission.

After discussion by the ASTMS national executive, the union's assistant general secretary, Mr. Bob McCusker, has told officials that authority for emergency action can be given within two days.

The advice, contained in a circular, says that emergency action could be justified by the dismissal of an ASTMS representative or the declaration of immediate redundancy.

Lay officials should request official support from their divisional officer who would pass on the request to national officials with power to grant official backing.

The circular has been prompted by three stoppages in recent weeks by ASTMS members who have taken action before asking for official backing. This has worried the union's leaders who traditionally claim that unofficial action by the membership is rare.

BOAC HIT AGAIN BY COACH DISPUTE

A BOAC flight from Heathrow Airport, London, was cancelled yesterday because of the overtime dispute involving coach drivers.

Passengers bound for Philadelphia were yesterday found seats on other services. BOAC has stopped operating coaches because of the dispute, which involves 400 drivers.

GENERAL APPOINTMENTS

COMPANY SECRETARY

PROPERTY INVESTMENT GROUP—c. £3,500 p.a. and car

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M5 bridge strikers will return to work to-day

ABOUT 160 construction workers on a motorway bridge which is two years behind schedule yesterday called off a two-week strike after an ultimatum from management that jobs would be lost if there was no return to work.

The men, who earn £103 a week on the M5 bridge at Avonmouth, Bristol, will go back to-day so that talks between union and management over bonus rates can go ahead. They want an assurance that their rates will not drop while they construct the centre span of the bridge.

A spokesman for the contractors, Fairfield Mabey, of Chepstow, said: "The completion date now depends on the rate of work and the winter weather, but we hope to have it finished next year." Delayed completion of the bridge has left a "gap" in the M5 motorway.

NO END TO JOB GRADES STRIKE

Twenty-four workers on strike over grading and job evaluation schemes at the Oldbury, Worcestershire, plant of Metal Sections decided yesterday to continue their stoppage for another week.

Meanwhile, talks are to take place between the management and representatives of the Amalgamated Union of Engineering Workers and the General Municipal Workers' Union in a bid to settle the dispute by next week.

Manager of Treasury Department

EUROPE

Our client, a major computer manufacturer located near Boston, Massachusetts, is seeking a Manager for their treasury department in Europe. This individual will be responsible to our European financial manager for all treasury matters including: money and banking, credit and collections, and insurance for all of Europe. The ideal candidate should speak both French and German fluently and have at least five years banking or industrial treasury experience.

Office location is Geneva, Switzerland.

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Career prospects are excellent and the starting salary ranges from £2,500-£4,000 depending on experience and qualifications. There is also a non-contributory pension scheme.

Please write briefly and in confidence to: Dafydd Thomas or Jill Fowler, Staff Department, Prudential Assurance Co. Ltd., 142 Holborn Bars, London EC1N 2NH.

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Products are in the automotive and engineering fields with sales in the region of £5,000,000. The Head Office and factory are situated in a pleasant part of the West of England, with service depots located throughout the U.K. Export business is also significant.

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Please apply in the strictest confidence quoting reference number 1493 to Clive & Stokes, 14 Bolton Street, London, W1Y 8JL.

Clive&Stokes
Appointments & Personnel Consultants

Miners to urge national ban on night work

MINERS' LEADERS in Nottinghamshire and Derbyshire are to call for a nationwide ban on night work in support of their claim for extra pay for working "unsociable hours."

The Derbyshire Area Council of the National Union of Mineworkers' announced yesterday that it was joining the Nottinghamshire Area Council in the demand for a nationwide protest.

Mr. Peter Heathfield, the Derbyshire NUM secretary, said the long-standing payment of an extra 2½p an hour for night work was an insult, and the ban should go ahead if no better offer was forthcoming.

Nottinghamshire miners have threatened to introduce their own ban on night work from November if no satisfactory offer is made.

The NUM has made a demand for improved shift payments as part of its new national pay claim, which will be discussed on September 12 with the National Coal Board.

TALKS ON GRAIN TERMINAL DELAY

Dock shop stewards on the Mersey concerned with the grain terminal, which has been delayed for 12 months from opening at the Royal Seaforth Dock over manning and pay structures, discussed the matter yesterday and will meet the employers again in joint talks.

No meeting was fixed yesterday but it can be arranged at short notice and is likely before the week is out.

Investment Executive

Old Broad Street Securities, requires an Executive for their Investment Department. The candidate should be aged between 22 and 30 and have had previous experience in the investment field. He will be reporting directly to the Manager and will be responsible for managing certain clients' portfolios. He will be expected to carry out investment research and make practical recommendations. An attractive salary will be offered together with usual fringe benefits.

Please write giving brief details to D. B. Atkins, Personnel Manager, Old Broad Street Securities Limited, 39 King Street, London, EC2V 8DT.

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Candidates preferably aged 35-45, should have relevant experience in industry, commerce or Lloyds brokers. Insurance, secretarial or accounting qualifications or a business degree are desirable but not essential. Prospects could include financial, administrative or general management posts. Location – West End. (CB.685)

Please write briefly and in confidence to the Managing Director, Executive Appointments Limited, 18 Grosvenor Street, London, W.1, quoting reference. No identities divulged without permission.

INTERNATIONAL BANKERS E.C.2. [illegible] CREDIT ANALYST: £2,600 p.a. [illegible]

Anger over Lake District high-speed highway plan

PLAN to turn the A66 road through the Lake District National Park into a major high-speed highway has been described by the Friends of the Lake District as "a monumental Ministerial mistake."

No decision affecting the area since it became a national park has aroused such indignation, says the organisation in its latest newsletter published to-day.

"The trend of public opinion towards management of traffic as an alternative to building more and more roads is clear. It has been noticeable even in the short time since the A66 decision," the newsletter adds.

A mass walk will be held from Keswick to the summit of Latrigg on October 14 to protest against theapproval of the work by Mr. Geoffrey Rippon, the Environment Secretary.

A plan to extensively alter the A591 from Kendal to Keswick, via Windermere, Ambleside and Grasmere, is also under attack. The organisation fears that widening and straightening the road will encourage faster traffic and attract heavy lorries.

Road alterations should only be permitted if they do not damage the landscape and the type and weight of traffic should be limited, it argues. With the completion of the link road between the M6 and the Kendal western by-pass, traffic from the south will arrive at the park entrance atm otorway speeds unprepared for the smaller, twisting scenic roads ahead.

Supplementary income goes to more Scots

THE NUMBER of Scottish families benefiting from Family Income Supplement has increased threefold since the scheme was introduced two years ago, the Department of Health and Social Security said yesterday.

When the scheme started in August, 1971—after applications had been considered for some months beforehand—4,200 awards were made in Scotland.

By the end of 1972, awards had risen to 11,800 and present figures show that 13,000 families are receiving benefit.

The number of children involved is 30,000, and the average weekly payment is £2.56. Single-parent families account for 5,400 awards.

Family Income Supplement is payable to low-income families with one or more children where the breadwinner is in full-time work.

Jeans: cashing in on a life-style

The Levi ad (left) illustrates the craze that has got the textile industry guessing. Report by **Ken Gofton**

FROM HOOLA-HOOPS to mini-skirts, and Hot Wheels to hot pants, every craze has its economic consequence. That could go down in the text books as a prime law of business. Certainly it is true of the current craze for jeans which at times makes it seem as if half the U.K. population is wearing blue cotton uniforms despite the absence of a Chinese-style revolution.

Yet in textile terms, it is a revolution. The International Institute for Cotton believes that as recently as 1968, only 25m. pairs of jeans or the companion jackets, were sold in the Common Market. This year the total is likely to exceed 100m. for the first time, on a "very conservative estimate." A quarter of them will be sold in Britain.

The phenomenon is all the more extraordinary, because jeans have been around for so long. One cannot say, however, "there is nothing new in jeans," because clearly there is. Their appeal has been broadened by the fashion stylists. You can now get them high on the waist or tight on the hip, with or without bibs or turnups, flared or drainpipe, and decorated with badges, embroidery, sequins, or beadwork.

They also come looking spanking new or pre-faded and pre-shrunk, in an ever-widening range of colours and fabrics, so that the border line between jeans and trousers is becoming increasingly blurred. Denim is still the number one material, but watch out next spring for faded corduroy, Draper's Record was warning store buyers recently.

100 years

This is a big jump from the originals which were invented, if that is the right word, over a century ago by a young immigrant to the U.S., Levi Strauss. And the fact that jeans have not only become very much more popular all at once but have changed their character, poses a multi-million pound question for the textile industry. Have jeans become a life-style, which implies continuing good business, or are they just another flash-in-the-pan fashion?

Strauss got into the act when he took samples of canvas tents to demonstrate to Californian gold miners. Told that they wanted not tents but trousers that would stand up to hard wear, he did the obvious thing of converting the one into the other and founded the family fortune.

"Levi's" remains the best-known name in the business. Even at the end of the Second World War it was a pretty small operation. To-day it is a full-blown multi-national—very unusual in the clothing industry—with a 1972 turnover of $500m.

Of course, Levi's are not alone. Many brands are long-established, like Lee Cooper, Lybro, and Wranglers, but many more are newcomers. At the last International Men's and Boys' Wear Exhibition (Imbex) in London in March, over 50 producers were represented. It is the sort of situation that the rag trade thrives on, presenting opportunities for big profit killings, and equally sudden disasters.

As so often happens, the industry leader is cast in the role of the stag at bay. Levi Strauss (U.K.) was by far the biggest advertiser in the trade last year, with a billing estimated by Media Expenditure Analysis at £165,000 out of a total for the men's trouser industry of only £500,000. This year advertising has been cut to the hilt. Why? Because the company has hit a cloth shortage, which means firstly that retailers are on allocation and secondly that turnover is unlikely to grow much this year.

Fabric supplies are worrying many companies, but Levi's appears to be worst hit. It is difficult to know whether this was in part an error of judgement. One of the particular problems the company faces is that there is an acute shortage of the heavy grades of denim which it uses in great quantity. It cannot afford to compromise its standards.

Meanwhile, others stride on. Levi Strauss's biggest international competitor is probably the cute-sounding Blue Bell Inc., of the U.S., which makes Wrangler Western Jeans, and entered the U.K. market about 10 years ago. Shy, like so many others in this industry, about talking production figures, it nevertheless claims to have invested £1m. here in the last 12 months—a lot of money in rag trade terms. Wranglers boast a 20-25 per cent. growth rate in the U.K. "and the only limitation at the moment is production."

Just as bullish is the U.K.-based but internationally-minded Lee Cooper. After a rather unhappy 1971 when several things went wrong — computer problems, a new factory in Denmark, the postal strike hitting mail order—it has just reported record profits of £850,000 on sales of over £10m., and capital invested in the business of less than £3m. Those are a few examples to show what is happening in one area of the market. The fact that there are spills as well as thrills in this game is illustrated by the fate of two other leading and long-established jeans producers, Wescot, of Cannock, Staffordshire, and Lybro, of Dalbeattie.

Mail order

The former admits to problems of "readjustment to changed market circumstances" and is thought to have made losses recently. The latter made a rather daring bid for the boutique end of the trade, spending an estimated £90,000 on some entertaining television advertising, but apparently did little more than break even on sales of around £2m. It was sold by Great Universal Stores in February to Blackman and Conrad for £310,000, and has since reverted to profitability and the production of "semi-fashion" jeans for mail order.

Leaving individual problem cases aside, however, producers in the developed countries have found that, with the influence of fashion, they can make even such a basic item as a pair of jeans without worrying too much about low-priced imports. The right design at the right time and the right brand image are what count.

Workwear

"The Americans proved, Levi's particularly, that there are no price levels to-day," says Mr. Michael Cooper, a director of Lee Cooper. "They pushed the price up almost overnight from £2-plus, retail, to £5."

Yet that does not mean that the importers have not been having a field day. The Textile Statistics Bureau in Manchester estimates imports last year at 19.3m. units, which seems high in relation to the total market. It may be that in this rather blurred area where jeans overlap with workwear at one end and leisure trousers at the other, total sales have been under-stated. The International Institute admits that its figure of 25m. for the U.K. is cautious.

High margin business and quick fashion changes provide a kind of defence, as I have suggested, but they are also a temptation to entrepreneurs. F. and W. Manufacturing, a North London importing house, for instance, air-freights 80 per cent. of its Brutus shirts and jeans from the Far East because its profit margins are generous enough and it needs the fast delivery to keep pace with fashion.

Depressions

Nearly 7m. yards of denim fabrics were also imported last year, against just over 4m. yards in 1971. But U.K. production has also been rising, up from 13.1m. yards in 1970 to 16.3m. in 1972. And of the several U.K. denim manufacturers who are currently doing everything they can to squeeze an extra yard of material out of their mills, undoubtedly the biggest is the cosmetics to bandages company, Smith and Nephew.

It was Army denim for the Korean war that brought the group into this market. Eighteen months ago, the company claims, it accounted for about 60 per cent. of U.K. production but its own £1.5m. expansion programme, and those of competitors, may have changed the balance. Doubts about the future are dismissed by Smith and Nephew's chief executive Mr. Kenneth Bradshaw: "We have ridden the booms and the depressions in this market. Fashion jeans hit the U.K. in the 1950s, and frankly we think there is still a hell of a way to go."

There is no doubting the optimism, either, of Sir Joseph Kagan, of Gannex coat fame. Admittedly his experience in denim has been limited to the last few months when textile demand has been at its height. His story is none the less extraordinary for that.

He was asked a year ago by Labour MP Mr. Douglas Houghton to try and rescue Crabtree Denims, a family business in his constituency which was in danger of closing. "We rather diffidently took it on," he says — so diffidently in fact, that the Receiver had been called in and redundancy money had been paid to the workers before Sir Joseph, prompted by some Government financial support, agreed to the deal.

Now, giving full credit to Crabtree employees, he says that the takeover has proved to be one of the best things he has ever done. The company has embarked on a four-year total re-equipment programme and aims to double production in the next 12 months.

Cotton

What is good for Lancashire in this context at any rate is good also for the cotton growers, which underscores the point about every craze having an economic consequence. Many products that come out of Lancashire these days have a synthetic fibre content, but in spite of Courtaulds' efforts to promote blends of cotton and Vincel (modified rayon), most jeans are in 100 per cent. cotton.

It is this that has the International Institute for Cotton rubbing is hands with glee, and gives point to the question whether jeans are just another fashion, or a "life-style." I'll hedge my bet, and say that it is both.

You might think that market penetration cannot go much further when Princess Anne has been photographed in jeans and a Savile Row tailor I know of keeps a roll of blue denim in case any of his customers want a pair made to measure. It can go further, however, and probably will. In Holland, it was claimed recently, 40 per cent. of the population wear jeans every day. Commonsense suggests that a part of to-day's high sales—and who would like to guess what part?—must be because jeans are high fashion with the young. Sooner or later, particularly in the case of women's jeans, that part of the demand will reach a peak.

Non-fashion

But it is also true that jeans are a very practical form of leisure wear, and the trend through the ages has been towards more and more casual clothing. It is quite likely that there is underlying growth in the non-fashion, or semi-fashion sector of the market.

Manufacturers report, for instance, that although there is a British generation that has never bought jeans, those who bought them in their 20s are still buying them in their 30s. It is no accident, then, that companies like Levi's and Lee Cooper are bringing out ranges for children. "Catch them the and we've got them for life," says Levi's U.K. managing director, Mr. Jim Buddle. I wonder what will happen when his customers reach 40.

STOCK EXCHANGE REPORT

Equities rally on "cheap" buying and bear covering

Index up 4.5 at 417.7—Higher bullion helps gold shares

ACCOUNT DEALING DATES

Option *First Dealings	Declarations	Last Dealings	Account Day
Aug. 13	Aug. 30	Aug. 31	Sept. 11
Sept. 3	Sept. 13	Sept. 14	Sept. 25
Sept. 17	Sept. 27	Sept. 28	Oct. 9

* "New time" dealings may take place from 9 a.m. three business days earlier.

Leading equities enjoyed a slight technical rally yesterday when a few "cheap" buyers lifted prices and prompted some nervous bears to close their short positions. The volume of business, however, remained fairly small and official markings, at 5,976, were below the 6,000 mark for the fourth day in succession. There was nothing in the news yesterday to change investors' minds about the market, but buyers, working on the premise that the fall in prices over the past week or so had been overdone, were showing a little more willingness.

The rallying movement left the F.T. 30-share index 4.5 up at 417.7 after its loss of 17.9 over the previous seven trading days. The F.T.-Actuaries three main indices showed gains of between 0.5 and 0.7 per cent with the All-Share 0.6 per cent higher at 175.92. Second-line equities also saw a few buyers in selected issues and rises and falls in F.T.-quoted Industrials were near enough in balance; falls led rises by 3-2 on Tuesday.

South African Gold shares made a further, more sharp, advance yesterday with the bullion price which gained $2.75 to $107.25 an ounce. Trade here was also small, but the thinness of the market accentuated price gains and the Gold Mines index rose 5.4 to 153.4.

Gilts very quiet

In the continuing absence of a fresh development which could have some bearing on the market, hardly any business was reported in British Funds. Short-dated securities opened steadily at around the overnight levels but later drifted off in to close 1/16 and occasionally 1/8 lower. Once again, the mediums and longs closed without alteration.

Midland Bank Loans issued in connection with the take-over of Montagu Trust made a reasonable debut; the 7½ per cent. subordinated Convertible 1983-93 opened at £91 and closed at £93¼, while the 10½ per cent. subordinated 1993-98 ended at £91.

A steady demand for investment currency was sufficient in the absence of sizeable selling to push the premium higher to 31¼ per cent., a rise on balance of ¾. The strong early recovery on Wall Street prompted fresh support for investment in U.S. securities. Yesterday's USE conversion factor was 0.8061 (0.8124).

Banks better

A slight increase in demand for Banks left gains of 7p in Lloyds and Midland at 264p and 344p respectively, while Barclays hardened 4p to 354p and National Westminster 3p to 340p. Australian issues, however, remained under a cloud and Bank of New South Wales lost another 25p to 505p for a three-day decline of 55p. Other casualties included Australia and New Zealand, another 8p lower at 387p, National Bank of Australasia, the same amount off at 212p, and Commercial Bank of Australia which receded 5p more to 215p. Bryanston Finance, a weak market since Griffiths Bentley recently withdrew its bid, met revived buying interest and in the course of a fair turnover, touched 81p before closing 3p higher on balance at 78p. Elsewhere in Hire Purchases, Western Credit shaded 2p to 104p in front of to-day's results.

Insurances edged higher in quiet trading. Pearl improved 3p to 273p in response to the interim report and Staplegreen hardened 1p to 283p after the results.

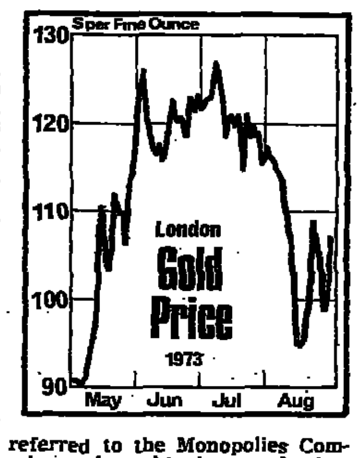
Breweries went quietly better and small improvements were seen in Guinness, 136p, Bass, 124p, and Whitbread "A," 78p.

Movements in the Building sector were mostly confined to a few pence either way. Vic Hallam, however, were noteworthy for a gain of 7p at 155p after the previous day's small reaction which followed news that Austin-Hall had lapsed its offer for the company. Leonard Fairclough responded to the half-yearly statement by rising 5p to 181p, but disappointment with the interim results prompted a fall of 3½p to 26½p in Dufay Bitumastic. Australian stocks to give further ground included Jennings, 10p lower at 200p, and Mainline, 17p off at 283p.

A little more activity was seen in ICI which put on 3p to 241p.

Lion International hardened to 182p after the chairman's statement.

Increasing fears that the bid from House of Fraser will be



referred to the Monopolies Commission brought about a further decline in Army and Navy yesterday; nervous selling by recent speculators saw the price drop at first to 560p, recover to 585p and close 32p down on balance at 578p; House of Fraser eased 1p to 108p which values the offer at 676p per A and N share. Elsewhere, leading Stores were inclined harder as recent light selling subsided. Marks and Spencer improved 3p to 204p and British Home 2p to 260p. In Mail Orders, however, Freemans (London) lost another 6p to 278p and Empire cheapened 2p to 232p. Stead and Simpson "A", 4p better at 102p, continued to reflect favourable Press comment in Shoes.

Interest in Electricals remained at a low ebb. However, a few of the leaders met with a little buying, GEC improving 3p to 140p, EMI hardening a shade further to 155p and Philips Lamp rising 20p to 925p. Cray Electronics held steady at 45p in front of to-day's results. In contrast, Petbow were dull at 80p, down 3p, along with Westforth which gave up 2p to a "low" for the year of 70p.

Leading Engineerings lost part of an early rally and ended only fractionally higher. Hawker Siddeley moved up to 350p on news of Government aid for the HS 146 airliner but closed only 3p better at 348p. Second-line stocks fared similarly and were rarely more than 2p dearer. Raine rose 1½p to a peak for the year of 23p, while Davy International were 2p up at 106p after the forecast of increased profits. Astra Securities recouped an early loss following the preliminary statement to end 1p firmer on balance at 19p, after 17p. Of the adverse changes, Adwest Group came back 7p more to 240p. Awaiting Friday's results, Acrow "A" cheapened 3p further to 98p, but Meggitt, in Machine Tools, gained another 1p to 12p, still reflecting the first-half recovery.

Approval for price increases in certain Food products probably encouraged part of a revived interest in the sector. Unigate attracted support and closed 1½p higher at 69p, while Brooke Bond "B" gained 2½p at 53p. Cavenham tended to move better late, ending 3p dearer at 145p, and Tate and Lyle, at 166p, regained 3p of Tuesday's 5p fall. J. Bibby were little altered at 118p following news of the proposed sale of the company's grocery products division to Industrie Buitoni.

Hotels pursued no set course, Trust Houses Forte losing 3p to 169p and Grand Metropolitan gaining 2p to 110p. Rowton gave up 4p at 160p.

Nu-Swift react

A better trend developed in the miscellaneous Industrial leaders where Bowater stood out with a gain of 6p at 161p and Reed International, at 257p, almost recouped the previous day's reaction of 5p. Beecham, 275p, Turner and Newall, 178p, and Glaxo, 348p, all closed 2p higher, while Unilever N/V were good at £14½, up ¼. Elsewhere, the lower profits prompted a late reaction in Nu-Swift Industries which ended 5½p down at 29½p. On the other hand, demand in a restricted market pushed British Sidac up 7p to 73p. Gripperrods hardened 1p to 93p in front of to-day's preliminary figures. Harris Lebus encountered selling and dipped to 148p before picking up to close at 152p, down 6p on balance. Other adverse movements included Rowen and Boden, 3p cheaper at 43p, and Low and Bonar, 2p off at 165p, the latter after the interim statement. Renewed weakness was seen in Australian stocks, Broken Hill Proprietary reacting 12p more to 524p, Thomas Nationwide, 9p to 148p, and Hanimex 6p to 144p.

More labour trouble in the industry and criticism about the quality of British cars by Mr. Henry Ford II, chairman of the Ford Motor Company, acted to the detriment of Motor and kindred issues which failed to benefit fully from the better tone in markets yesterday. British Leyland were very quiet, although ½p harder at 26p, while Dunlop improved 1p to 86p. On the other hand, Cornercroft dipped 4p to 54p on small selling on an unwilling market. British Car Auction, still reflecting disappointment with the interim profits, lost 4p more to 118p for a two-day fall of 15p.

Small revived buying lifted Beaverbrook "A" 3p to 107p and Associated Newspapers a similar amount to 200p. Paper/Printings also encountered demand, mainly for Letraset, up 4p at 112p, after 114p, still on the forecast of a substantial rise in profits and for Inveresk Group, which improved 1½p further to 52½p following comment about prospects and bid possibilities. Among Publishers, William Collins "A" shed 3p more to 197p.

Properties made a little headway with British Land, 173½p, MEPC, 202p, and Star (Great Britain), 133½p, all improving a few pence in the leaders. Elsewhere, London Provincial Shop found buyers at 126p, up 7p, while a fair amount of activity was again seen in Cavendish Land which ended 2p better at 131½p. Interest revived in Lane Fox, up 5p at 258p, and gains of a few pence were recorded in Great Portland, 273p, Town and Commercial, 126p, and Land and House, 146p. Of the few adverse movements, B. Sunley encountered scattered profit-taking after recent firmness and gave up 6p to 394p, A. J. Mucklow cheapened 5p to 135p and Samuel came back 2p to 243p.

Oils recover

Looking oversold after the recent weakness, Oils were quick to respond to demand of a technical nature. Shell led the way with a recovery of 10p to 288p and Royal Dutch gained ⅝ more to £20¼; the group's interim dividend announcements are due on September 13. British Petroleum regained Tuesday's fall of 6p when closing at 506p and Burmah were similarly better at 416p; the latter's Warrants rose 4p to 132p. North Sea exploration issues also joined in the movement, Tricentrol rallying 8p to 176p, after 178p, and Oil Exploration a like amount to 107p. Even Woodside-Burmah, in the Australian group, had better fortune and, at 110p, regained 7p of the previous day's loss of 24p.

A resurgence of speculative interest helped Grendon Trust rise 6p to 232p, while NMA Wright Stephenson hardened 1p to 137p after the results. Australian Estates, however, gave up 6p more to 116p for a two-day decline of 14p. Australian Agricultural eased 3p to 104p in front of next Wednesday's interim figures and Inchcape, at 680p, lost 5p of the previous day's 8p rise.

After another idle day in Shippings, P & O Deferred closed 2p dearer at 284p but Furness Withy ended a similar amount lower at 357p.

Small investment demand helped Courtaulds close 2½p up at 135p, after 132p, in Textiles where buying in front of to-day's results left Stoddard Ordinary 5½p higher at 88½p and the "A" 4p better at 86p. Stirling Knitting improved 2p more to 55p but Nova (Jersey) Knit were friendless at 70p, down 4p.

Although quiet, Tobaccos ended slightly higher. "Bats" firmed 1p to 254p and "Imps" ½p to 87½p.

Except for Guthrie, which recovered 2p to 390p, Rubbers lacked support and eased further. Kuala Lumpur-Kepong followed the previous day's 21p decline with a further 1p fall to 139p while Consolidated Plantations eased 2p to 57p and Malakoff 3p to 58p.

Australians steadier

A selective recovery was seen in Australian Mining issues. Short-covering and speculative buying, in part prompted by the proximity of the end of the extended holiday Account, helped to offset the further decline in home markets overnight.

The heaviest casualty following the tax impositions contained in the recent Australian Budget, Peko-Wallsend recovered 15p to 365p while Western Mining were 6p harder at 118p. Mt. Lyell (100p) and Broken Hill South (145p) both rallied some 3p but MIM Holdings were another 6p off at 154p.

South African Gold shares continued to respond to the recovery in the free market bullion price which was $2.75 up at $107.25 per ounce, widespread gains lifting the index by almost 5½ points at 153.4. Rises ranged to 40p in Durban Deep (600p) and Randfontein (700p) while East Drie (405p) and FS Geduld (950p) both put on 25p.

Financials were helped by the trend in Golds, Anglo American being 7p better at 382p and Rand Selection putting on 10p at 845p. Reflecting the optimistic dividend remarks contained in the Annual report Sentrust were 5p up at 165p. "Johnnies" touched £21 following the higher profits and dividend but ended a net ½ harder at £20¾. Selection Trust, however, fell another 5p to 370p.

Platinums were untested while Coppers eased quietly in line with the metal price. Tins continued to drift, London being another 2p off at a year's low of 155p.

FINANCIAL TIMES STOCK INDICES

—	Aug. 29	Aug. 28	Aug. 24	Aug. 23	Aug. 22	Aug. 21	A Year ago
Government Sec.	64.33	64.34	64.36	64.00	63.87	64.27	71.91
Fixed Interest	64.79	65.13	65.32	65.29	65.22	65.47	74.47
Industrial Ordinary*	417.7	413.2	414.6	414.4	415.6	420.5	528.4
Gold Mines	153.4	148.0	146.9	149.4	152.5	154.7	97.0
Ord Div Yield %	4.51	4.56	4.54	4.55	4.54	4.48	3.10
Earnings Yld% (full) (a)	10.09	10.19	10.16	10.16	10.09	9.98	†4.73
P/E Ratio (net) (a) (b)	13.51	13.39	13.42	13.42	13.51	13.67	†21.15
Dealings marked	5,976	5,690	5,479	5,861	6,724	6,059	10,129

*10 a.m. 412.8 11 a.m. 414.2 Noon 416.4 1 p.m. 417.2
2 p.m. 417.3 3 p.m. 417.1
Latest index 01-246 8026.
(a) Based on 50% Corporation Tax. (b) Nil=13.27. † On old basis.

HIGHS AND LOWS / S.E. ACTIVITY

—	1973 High	1973 Low	Since Compilation High	Since Compilation Low
Govt Sec.	72.08 (22/1)	63.87 (22/8)	127.4 (9/1/35)	63.87 (22/8/73)
Fixed Int.	73.83 (23/1)	64.79 (29/8)	150.4 (28/11/47)	64.79 (29/8/73)
Ind.Ord.	509.5 (10/1)	413.2 (28/8)	543.6 (19/5/72)	49.4 (26/6/40)
Gold Mines	203.6 (6/7)	93.5 (19/1)	203.6 (6/7/73)	43.5 (26/10/71)

—	Aug. 29	Aug. 28
Daily—		
Gilt Edged	114.3	126.4
Industrials	195.4	180.3
Speculative	126.4	121.7
Totals	136.0	129.5
5-day Avge—		
Gilt Edged	126.1	128.8
Industrials	194.7	195.7
Speculative	106.1	103.0
Totals	135.3	135.7

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. S.E. Activity July-Dec. 1942.

FT—ACTUARIES INDICES

	Aug. 29	Aug. 28	Aug. 24	Aug. 23	Aug. 22	Aug. 21	A Year ago
Industrial Group	168.05	167.21	167.42	167.71	168.21	169.80	216.42
500 Shares	177.10	175.83	176.16	176.40	176.86	178.18	225.81
Div. Yield pc	4.26	4.29	4.28	4.28	4.26	4.24	3.18
P/E Ratio (net)	14.65	14.55	14.58	14.61	14.68	14.78	†18.92
All Share	175.92	174.90	176.21	175.39	175.86	177.37	224.35
Consols Yield pc	11.43	11.42	11.41	11.54	11.60	11.46	9.57

† On old basis.

PARK PLAN FOR IRVINE NEW TOWN

Plans for a 1,700 acre park at Irvine New Town, Ayrshire, were disclosed yesterday. It would include at least two golf courses—one to world championship standards—a golf hotel, holiday centre, country club and large boating lake.

Irvine Development Corporation has submitted the proposals to various local authorities for further discussion.

AUTHORISED UNIT TRUSTS (p★★★)

(a) (g) Abacus Arbuthnot Ltd.
26, Pall Mall, Manchester 2 (061) 832 5027

				§ Yield
♥Giants	37.6	40.6	.....	2.66
Giants Accum.	38.0	41.0	.....	2.66
♥Growth Units	31.3	34.3	.....	2.42
Growth Accum.	31.6	34.6	.....	2.42
♥Income Units	37.3	40.3	.....	5.30
Income Acc. Uts.	38.0	41.0	.....	5.30
International Acc.	24.3	25.3	.....	2.30

(a) (g) Abbey Unit Tst. Mgrs. Ltd.
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Capital	23.1	24.3	+0.1	2.26
Abbey Income	23.7	24.9	.....	4.32

Hambro Hse., Hutton, Brentwood, Essex 01-588 2851 or Billericay (02774) 53169

♥AbbeyGen.Trust	39.5	41.8	.....	2.10

(a) (g) Allied Hambro Group
Hambro Hse., Hutton, Brentwood, Essex 01-588 2851 or Billericay (02774) 53169

♥Allied 1st	53.2	56.4	.....	3.96
♥Brit. Ind. 2nd	53.7	56.9	+0.1	4.00
♥Grth. & Inc. Tst.	32.7	34.7	.....	3.81
♥Elect.& Ind.D'ly	27.5	29.2	+0.1	3.88
♥Met.M'n & C'dty	34.3	36.4	+0.1	3.88
♥Allied Capital Tst	61.3	64.9	.....	3.52
♥High Income	51.7	54.8	−0.1	4.28
♥Equity	33.6	35.6	−0.1	4.39
Internation'l Fund	23.4	24.8	.....	1.61
♥H. Fund	93.3	98.8	+0.1	3.94
♥H. Income Fund	46.5	49.3	.....	4.91
♥H. Recovery	87.1	92.2	−0.1	4.28
♥H. Smaller	26.7	27.3	−0.1	3.29
♥2nd Smaller	25.1	26.6	.....	3.56
♥H. Accum. Fund	21.5	22.8	.....	3.45
♥Sec. of Am.	41.1	43.5	+0.3	1.02

(a) (g) Ansbacher Un. Mg. Co. Ltd.
1, Noble Street, E.C.2. 01-606 4018

North America	30.8	33.8	+0.6	1.46

Discretionary Unit Fd. Managers
Finsb'y Hse., 22 Blomf'ld St., ECM 7AL. 01-638 4485.

				§ Yield %
Discr'tyIncAug10	112.4	117.1	.....	4.18
Do. Acc.	124.3	129.5	.....	4.18

Drayton Unit Trust Managers Ltd.
Individual Hs., 43/45 South St., Eastbourne BN21 0323 26711

♥Com&Gen U Tst.	46.3	48.9	−0.2	4.86
♥Growth Unit Tst	27.7	29.2	+0.2	2.28
♥Fd of Inv Tst Sh	21.0	22.2	−0.1	2.34
♥Income Unit Tst	34.9	36.5	−0.2	5.45
♥Accum Unit Tst.	34.1	36.0	+0.2	2.07

E.P. Fund Managers
16, Finsbury Circus, EC2M 7RE. 01-628 7585

♥E.P. Growth Fd.	38.4	41.1	+0.1	2.74

The Ebor Group
(a) (g) Ebor Securities Ltd.
4, Gt. St. Helens, EC3P 3EP. 01-581 6002

♥Capital Accumtor	51.3	54.2	+0.1	2.66
♥Commodity	57.2	60.4	−0.3	3.95
♥Energy Inds Fd.	45.1	47.6	+0.2	3.08
♥Financial	41.9	44.4	−0.1	2.25
♥Prop & Building	50.5	53.4	−0.1	3.02
♥High Return	45.5	48.1	−0.2	5.31
♥General	50.9	53.9	.....	3.66
♥Select Gth**	99.9	102.0	.....	1.86
♥Select Inc**	90.6	92.5	.....	4.95
†Commodity Fu2*	179.5	189.5	.....	4.26
♥Universal Growth	55.8	58.9	.....	2.15

*Prices on Aug. 28. Next sub. day Sept. 5.
**Prices on Aug. 21. Next dealing Sept. 11.

(a) Emblem Fd. Mngmt. Co. Ltd.
20, Copthall Avenue, E.C.2. 01-628 6905

Emblem Aug. 21	56.6	59.1	.....	0.96

Next subscription day Sept. 11.
Not available to public generally.

(a) (g) Jessel Britannia Group
155, Fenchurch St., EC3M 6BX. 01-623 7585

				§ Yield %
♥Jes.Aus.&GnFd.	19.6	20.7	−0.6	3.25
♥Jes'l Cap Growth	47.1	50.4	−0.3	3.57
♥Jes'l City of Lon.	58.3	62.4	+0.1	2.81
♥Jes'l Exempt Fd.	100.7	104.8	−0.3	4.32

(a) (g) National Group
3-5, Norwich Street, E.C.4. 01-405 3891

				§ Yield %
♥Domestic	43.7	46.7	−0.1	3.51
♥Gas Ind & Power	63.7	66.3	−0.2	3.74
♥Nathits	67.0	70.2	−0.1	2.86
♥Nat High Income	70.0	72.8	−0.2	4.20
♥N.U.F.I.T.S.	44.2	46.7	−0.1	2.53

Scotbits Securities Limited
Erskine Hse., 68-73 Queen St. Edin EH2 4NX (London Office: Perth Rd., Ilford, Essex) Telephone Nos.: 031-226 7351 (Edinburgh) 01-554 2237 (Ilford)

				§ Yield %
♥Scotbits	48.6	51.3	.....	2.54
♥Scotyield	43.4	45.9	+0.2	4.71
♥Scotshares	47.1	49.8	+0.5	3.21

[INSURANCE, PROPERTY, BONDS PRICES PAGE 31]

OFFSHORE AND OVERSEAS FUNDS (p★★★)

STOCK EXCHANGE DEALINGS from the Official List for August 29

Wednesday, August 29	5,976	Friday, August 24	5,479	Wednesday, August 22	6,724
Tuesday, August 28	5,690	Thursday, August 23	5,861	Tuesday, August 21	6,059

The list below gives the prices at which bargains done yesterday by members of The Stock Exchange were recorded in The Stock Exchange Daily Official List. Members are not obliged to mark bargains except in special cases, and the list cannot, therefore, be regarded as a complete record of prices at which business was done.

Bargains are recorded in the Official List up to 2.15 p.m. only, but later transactions can be included in the following day's Official List. No indication is available as to whether a bargain represents a sale or purchase by members of the public. Markings are not necessarily in order of execution, and only one bargain in any one security at any price is recorded.

The number of dealings marked in each section follows the name of the section. Unless otherwise denoted shares are £1 fully paid and stock £100 fully paid. Stock Exchange securities are quoted in pounds and fractions of pounds or in new pence and fractions of new pence.

‡ Bargains at Special Prices. Δ Bargains done with or between non-members. ϕ Bargains done previous day. ♣ Bargains done for delayed delivery or "no buying-in." $A—$Australian; $B—$Bahamian; $C—$Canadian; $HK—$Hong Kong; $J—$Jamaican; $Ma—$Malayan; $Me—$Mexican; $NZ—$New Zealand; $S—$Singapore; $US—$United States; $WI—$West Indian.

British Printing (25p) 59ϕ 8½. 8½pcLn. 73
British Relay Wireless (25p) 48½ 8
British Rollmakers (25p) 56½
British Ropes (25p) 100
British Shoe Cpn. 6½pc3rdPf. 59. 7pcDb. 76½
British Steel Cnstrctns. (25p) 84. 8½pc Db. 1981-86 55
British Sugar xd 504
British Syphon Inds. (20p) 68
British Tar Prods. (10p) 29
British Vending Inds. (10p) 19
Brockhouse (J.) xd 201ϕ
Brocks Group (10p) 95½ϕ 7 4½ 4 6½ 6

Grant Bros. (25p) 207ϕ
Grattan Warehouses (25p) 164 1 3 6 2½
Great Universal Stores (25p) 247 9. A (25p) 222½ ¼ϕ 4 5 6 3. 5¼pcUns.Ln. 41½. 8½pcUns.Ln. 71¼
Greatermans Stores A (R0.50) 300
Greaves Organisation (10p) 72ϕ
Greeff-Chemicals Hldgs. (25p) 58
Greenbank Industrial Hldgs. (10p) 62ϕ 60ϕ
Greenfield Milletts (10p) 55ϕ 4
Green's Economiser Grp. (25p) 52
Greensitt Barratt (10p) 124ϕ 2 19 18 20
Griffiths Bentley (5p) xd 25½ϕ 4¼ϕ ¼ 5
Gross Cash Registers (20p) xd 67ϕ 7
Group Lotus Car Cos. (10p) 74ϕ

O.K. Bazaars (1929) A (R0.50) xd 473‡ 70 5 8 70‡
Oriel Foods (25p) xd 126ϕ
Orme Dvlpts. (10p) xd 57ϕ ½ 8 9 7
Osborn (Samuel) (25p) 56½ϕ 5½
Owen Owen (25p) 89
Ozalid Go. Hldgs. (25p) 217. 6½pcUnscd. Ln xd 95ϕ

Parker Knoll A (25p) 79
Pauls Whites (25p) 97ϕ
Pearson Longman (25p) 161
Pearson (S.) Son (25p) 200 198
Pegler-Hattersley (25p) 165ϕ ¼ϕ 7. 7pc Uns.Ln. 96 5

Weyburn Eng. (25p) 158
Wheatsheaf Dists. Trading (25p) 199ϕ
Whitley (George M.) (25p) 90‡
White Child Beney (25p) xd 41½
Whitecroft (50p) 131½ 1. New 129ϕ
Whittingham (W) 8pcLn. 112
Whitworth Electric (Hldgs.) (5p) 32
Wilkins Mitchell (25p) xd 140 1 39
Wilkinson Sword (20p) 85½ϕ 3½
Williams Hudson Grp. (20p) 185½ϕ 1½ 80‡ 4 2 3 1. 8½pcLn. 220
Wilmot-Breedon (Hldgs.) (25p) 82½
Wimpey (George) (25p) 102ϕ 100 2
Winn Inds. (20p) 32
Witter (Thomas) (25p) 48ϕ

Messina (Transvaal) Dev. (R0.50) 330ϕ 78 85
Middle Witwatersrand (W. Areas) (R0.25) 320ϕ
New Witswatersrand Gold Ex (R0.50) 119 20 18 17
Potgietersrust Platinums (R0.02½) 219 21 20 19‡
President Brand Gold Mng. (R0.50) 920ϕ 50ϕ 5 905
President Steyn Gold Mng. (R0.50) 870ϕ 85 70 5
Rand Mines Props. (R1) 181ϕ 75
Rand Selection Corp. (R0.50) 850 30

Kuala Lumpur-Kepong Amal. (10p) 40ϕ 1ϕ 37 40 3 38 41 4 2
Kulim Group (10p) 31
London Asiatic Rubber (10p) 45
London Sumatra Plantations (10p)
Malakoff Rubber Estates
Malayalam Plantations
Malaysia Rubber Co (10p)
Padang Senang Rubber (10p)
Paraling Rubber Estates (10p)
Patani Para Plntions (10p)
Plantation Holdings (10p) 229‡ϕ 30
Rembia Rubber (5p) 7½

ACTIVE STOCKS

Prices in pence except where otherwise indicated.

Stock	Denomination	No. of marks	Closing price	Change on day	1973 high
Army & Navy	50p	15	378	−32	660
East Drie.	R1	11	405	+25	500
ICI	£1	11	241	+ 3	294
Courtaulds	25p	10	135	+ 2½	166½
Woodside Burmah	$A0.50	10	110	+ 7	252
BP	£1	9	506	+ 6	600
Broken Hill Prop.	$A2	9	524	−12	732
Western Mining	$A0.50	9	118	+ 6	230
Beecham	25p	8	275	+ 2	311
Boots	25p	8	271	+ 2	310
Cons. Gold Fields	25p	8	238	+ 4	283
GEC	25p	8	140	+ 3	154
Shell Transport	25p	8	288	+10	363
Barclays Bank	£1	7	354	+ 4	468
Burmah Oil	£1	7	416	+ 6	506

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (e) reproduced to-day in Stock Exchange dealings.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Aug. 21	Sept. 10	Nov. 22	Dec. 4
Sept. 11	Sept. 24	Dec. 6	Dec. 18
Sept. 25	Oct. 8	Dec. 20	Jan. 8

More interest was being taken in the Option market yesterday. Stocks to attract money for the "call" included Loraine, Greensitt and Barratt, Williams Hudson, Raglan Property, British Leyland, E. Scragg, Calgary and Edmonton, ... Press, De Beers, B. ... Harris Lebus, Shell ... Allied Breweries, ... Petroleum, GEC, I.C.I., ... Brooke Bond "B," ... Investment and Bank and ... mercial. "Puts" were arranged in Inveresk, Calgary and ... ton Land, and C. T. ... while double options were transacted in Shell Transport, ... Hotels, Raybeck, ... Property, I.C.I. and ... Petroleum.

Industrials						Mines
A.P.Cement	15	Glaxo	40	Slater Walker	12	Anglo Amer.
Assoc.Leisure	4	Grand Met.	10	Spillers	6	Broken Hill Prop.
Barclays Bank	20	G.U.S. "A"	25	Tesco	6	Cons.
Beecham	20	Guardian	29	Thorn "A"	24	Charter Cons.
Boots Drug	17	G.K.N.	13	Tube Invest	30	Chartered
Bowaters	12	Hawker Sidd.	50	Unilever	25	Cons. Gold
B.A.T.	16	I.C.I.	11	Utd. Drapery	10	De Beers Dfd.
British Leyland	2½	"Imps"	5½	Vickers	9	F. S. Geduld
British Oxygen	6	I.C.L.	11	Woolworth	7	Great Boulder
Burton "A"	20	Inveresk Paper	4	Property		Hampton Areas
Cadbury's	6	Jessel Sec.	9	Cap Counties	11	Hampton Prop.
Cannon St.	7	Legal & General	20	Land Securities	15	Kloof
Courtaulds	8	Lloyds Bank	20	Peachey	12	Lonrho
Debenhams	10	"Lofs"	10	Star(Gt.Britain	13	Loraine
Distillers	10	"Mams"	13	Town & City	13	Metals Explor.
Dunlop	8	Marks & Spencer	12	Town & Comm.	13	Poseidon
Eldridge Stleld.	5	Marsh (L)	9	Oils		Pres. Steyn
E.M.I.	13	Midland Bank	20	Brit. Petroleum	21	RioT. Zinc
First National	7	Natl. West Bank	20	Burmah Oil	21	Welkom
G.R.A. Trust	8	P & O Dfd.	25	Oilsearch	4	West Areas
Gen. Accident	13	Plessey	9	Shell	18	Western Mng.
Gen. Electric	9	R.H.M.	6	Ultramar	16	Zambia Copper
		Rank Org. "A"	35			
		Reed Intl.	25			

REGIONAL MARKETS

Prices in pence and denominations of 25p unless otherwise stated

BELFAST

B'fast F&G St.	£68½	......
Finlay Pkg (5p)	26	......
Hughes(B) (£1)	120	......
N Irish Sc'tInv	43½	......

IRISH EXCHANGE

Exeq.6pc80/85	267.52	......
AllianceGas£1	100	......
Conc. Prod. Ire	170	......
Clondalkin	72	......
Goodbody (£1)	120	......

Evered	39	......
Fr'at&Reed50p	230	......
Gardiner £1	67½	......
Graig Sh'p£1	820	......
Hal'mS'gh10p	20½	......
Kleen-e-ze	62	......
Lovell'sShip£1	195	......
Pearce C. H.	135	......
Sindall(Wm)	114	......
Vincent (E)	110	......

Gardiner(L.)
Hartl'y Ind20p
Higsons Brew.
Hindson 20p
Holt Joseph 25p
I.O.M. Stm. £1
Ketton Cem £1
Man. Canal £1
Nichols Vim
Nthn (Ld'mrk.)
P.M.A.
Peel Mill
Sayers Con 12½
Shiloh Spinn.

NORTHERN EXCHANGE

MIDLANDS & WESTERN

SCOTTISH

ART GALLERIES

CLUBS

EXHIBITIONS

Pays-Bas $US50¼ϕ
Gerrard and National Discount (25p) 275
Gibbs (Antony) Sons (25p) 101
Gillett Bros. Discount xd 280ϕ
Hambros Shs. (25p) 445
Hill Samuel Grp. (25p) 132 30‡ 1. Wrnts. to sub. for Ord. 15ϕ
Hongkong and Shanghai Banking Corp (Lon. Reg.) ($HK2.50) xd 271ϕ 65ϕ 75ϕ 70 65 72
Keyser Ullmann Hldgs. (25p) xd 254ϕ 4
King and Shaxson (Ex Captn.) (20p) 58ϕ
Lloyds Bank xd 255 60 57 8 62. 7½pc Cnv.Subord.Uns.Ln. 95¼ϕ 6½ ¼
London and County Secs. (25p) xd 178 7ϕ 80
Mercury Secs. (25p) 146ϕ 80 5 4

Businessman's Wardrobe

FINANCIAL TIMES REPORT

European view of what the well-dressed executive should be wearing—all clothes shown yesterday to the World Congress of Master Tailors in London at a fashion show organised by International Wool Secretariat. Left, a single-breasted suit in fancy herringbone, 20-ounce cloth, from the French Federation of Master Tailors. Centre, in blue, white and red check, a leisure outfit from Fonticoli-Brioni of Rome. Right, classic English lines with magenta stripes on a 12-ounce black worsted by Kilgour, French and Stanbury.

Clothing the fashionable male

KEN GOFTON

More than 1,000 delegates from 25 or so countries have been meeting in London this week — and not a bit of tatty wear among them, you can be sure, since they are attending the 15th World Congress of Master Tailors. Since they represent the cream of the trade, and it is several years since they have met in London, no better opportunity presents itself for reviewing what has been happening in the top end of the British menswear trade, which for convenience we have labelled the Businessman's Wardrobe.

Fashion commentary, so often exaggerated, can be left to others, with the acknowledgment that the influence of fashion is much more potent than it used to be. Only the smallest minority of customers take a close interest in the extreme styles dreamed up for a given season. On the other hand, the sort of commercial manipulation which makes women worry about the length of their hemlines is now sufficiently strong to make many men uneasy about whether their ties or trousers are too wide or too narrow.

What are the consequences of this increased fashion influence? For one thing we spend more money. To point out one obvious example, coloured shirts both plain and patterned have proliferated in the past few years, and white is no longer the best selling line.

Exclusive designs

One consequence of this is that one needs to be more careful about which shirts are worn with which suits, and which ties are worn with which shirts. As a result, an individual is likely to find that he needs both more shirts and ties than was previously the case, and that exclusive designs and short production runs have not made them noticeably cheaper. Ah, vanity!

What this means in economic terms is that shirts have taken over from suits as the area where most money is spent. It is estimated that the U.K. shirt market last year was worth about £280m., and since the average price has risen from £2.25 in 1970 to £2.80 last year, a little quick arithmetic suggests that 100m. shirts were taken home. Significantly, at the top end of the trade, the proportion selling at £4 or more has risen from 4 per cent. to 15 per cent. of the total.

When we look at the suits market, a similar though not identical picture emerges. All clothing had a bad year in 1969, and suits which are relatively expensive and long-lasting, were slower than most to recover. ICI Fibres, for obvious reasons of self-interest, monitors pretty closely what people are spending on clothing (and what those garments are made of, too). It calculates that the number of suits sold in Britain sagged badly from 9.3m. in 1968, but has recently climbed back from 8.4m. in 1971 to 9.1m. last year.

Total sales were put at £25m. in 1972. This works out at an average of £28, which may sound a low figure but again shows a healthy increase on previous years. The average is dragged down by low-priced merchandise—denim suits, for example, and cheap imports. A fifth of the market is priced at under £20. On the other hand, 23 per cent. falls in the £30-£40 bracket, and since 1970 the proportion selling at over £40 has gone up from 1 per cent. to 9 per cent. "This," says ICI, "is partly inflation, but we think that in all men's clothing there has been a distinct trend for the consumer to be willing to buy higher priced garments. And there has been a more positive attitude among men to getting new clothes."

In spite of the influx of cheaper garments, notably from East Europe, the vertically integrated multiple tailors have held on to a consistent 50 per cent. of the suit trade, including those like Austin Reed and Hector Powe, which have set their cap particularly at the prosperous executive. More than that, many have blossomed out into other lines, such as shirts, ties, and belts, having realised rather late in the day that once a customer has crossed the threshold he is probably in a spending mood, and might be persuaded to buy other goods, too. ICI also reckons that ready-made suits are increasing their market share (up from about 44 per cent. in 1970 to just over half last year), following a trend already observed on the Continent. This, on the face of it, is bad news for bespoke tailors, but the situation repays further consideration.

An increased demand for ready-made suits is consistent with the efforts of the multiples to make their High Street stores more friendly, and suit-buying a less traumatic experience. It also fits in with the increasing interest in men's suits of such groups as C and A and Marks and Spencer.

Significant move

M and S is apparently delighted with its sally into this area, champing only at a lack of suitable capacity in the U.K. which has forced it against normal policy to look abroad for some suppliers. If it overcomes this problem (and it has persuaded such top names as Daks-Simpson and Headrow Clothes to invest in new plant), this could yet be one of the most significant moves in menswear for many years. The approach is certainly different: trousers are selected from one rack, jackets from another, and it is quite possible to buy a matching suit with one half made in Sweden and the other in the U.K.

Despite all these developments, however, my Savile Row contacts tell me that they have seen a revival in interest from home market customers in the last couple of years (bearing in mind that many of them do a substantial export business, too). A similar trend has apparently been noted by the top provincial tailors.

They put this down to greater affluence, certainly, but also a realisation on the part of customers that when many top-quality ready-mades cost £90-£100, they might just as well pay a little more to have a suit custom-built. Savile Row prices for an "ordinary" two-piece worsted suit now probably range between £125 to £200.

And what do you get for the money? Obviously, the starting point is a wide choice of good-quality fabrics, many of them exclusive to that tailor. For instance, Mr. Angus Cundey, managing director of Henry Poole and Co., who is this year's president of the British Federation of Master Tailors, offers customers a choice of about 4,000 different designs and fabrics. That figure is probably typical.

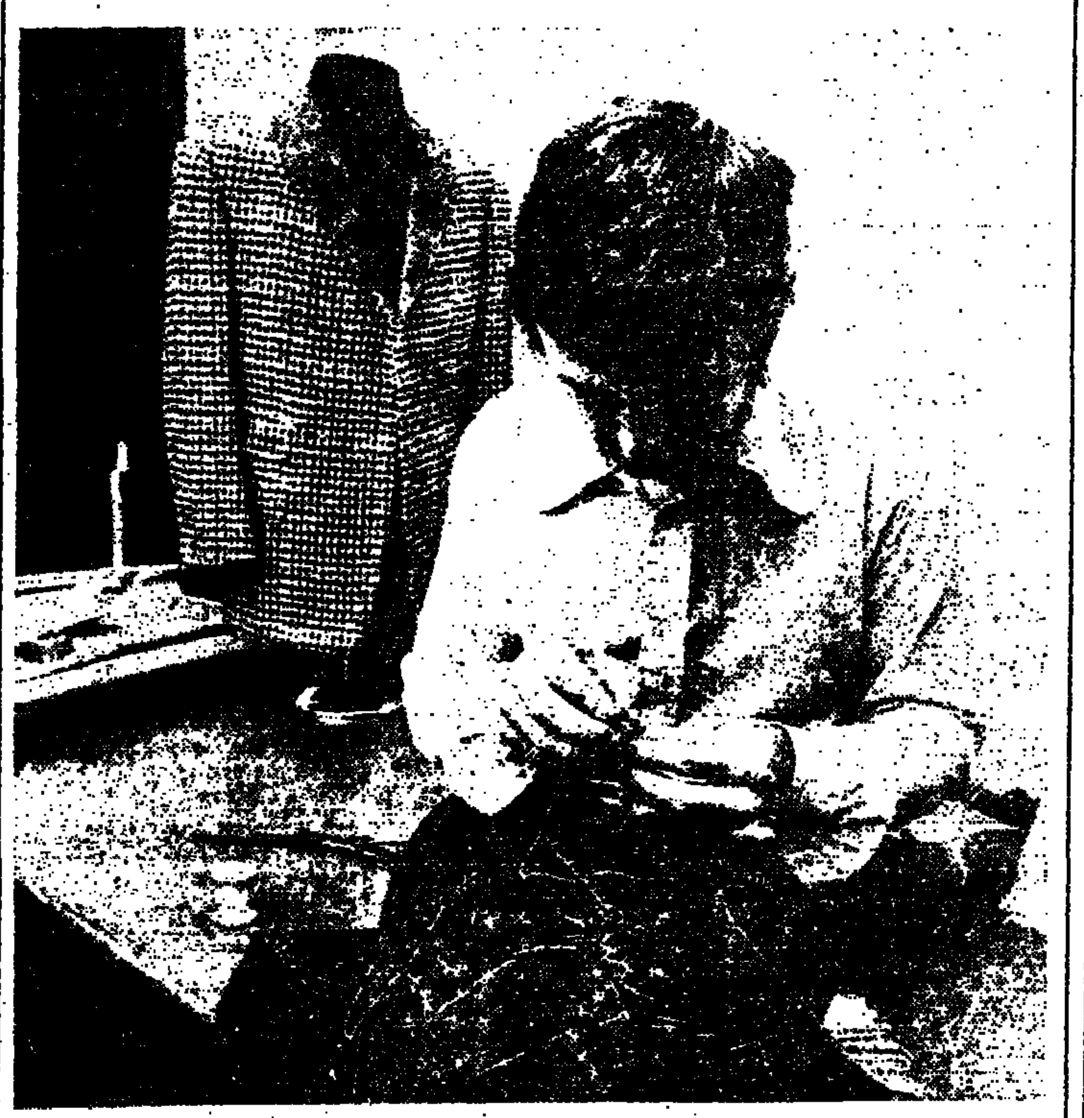
A suit length of fabric is quite likely to cost £30, and possibly much more (that is, dearer than 70 per cent. of all completed suits bought in the U.K.). From there on, you are paying for craftsmanship. A Savile Row coat maker, who has served a four or five year apprenticeship, probably makes an average of two jackets a week. Put differently, that means about 20 hours of skilled hand work in the tailoring of a jacket. The trousers might take a further eight hours, and waistcoat another five.

The contrast with the mass end of the market, where attention focuses increasingly on the "engineered" suit, could hardly be more marked. This is a trend which developed first, and not surprisingly, in the high labour-cost countries of Sweden and West Germany, and the appropriate comparison, suggests the specialist consultancy firm, Kurt Salmon Associates, is between hand-building an exclusive car and assembling the ordinary family saloon.

"Engineering" calls for very close liaison between designer and production staff, because there are tighter limitations on what is possible and what is not. Important technical changes have come in many areas, particularly the construction of collars, sleeves, and pockets, and the use of fusible interlinings. Automation is becoming increasingly attractive with the shortage of skilled labour and its attendant problems such as absenteeism and rapid turnover of staff.

Even so, to make full use of modern techniques, a company probably needs to be making at least 1,500 jackets a week, and 4,000 would be an even more attractive number, Kurt Salmon reckons. But, using the best of modern methods, such a company can cut the amount of labour time in a jacket to 80-85 minutes. This is a long, long way from Savile Row's 20 hours, and it compares with 120-180 minutes, the consulants claim, for a "run-of-the-mill mass market operation, and over 200 minutes for the "very inefficient."

Such are the commercial pressures to-day, it is unlikely that the inefficient will long survive. That is not the same as saying that a void will open up between "engineered" suits on the one hand, and top-quality bespoke tailoring on the other, although both, in their different ways, offer good value. There will always be customers who cannot afford the one but want a wider choice of fabrics and design features than is available from the other. Such customers, aware of the extremes, will be no less insistent on value for money.



Behind the scenes in Savile Row.

F.T. SHARE INFORMATION SERVICE

BRITISH FUNDS

1973 High	1973 Low	Stock	Price £	+ or −	Yield Int.	Yield Red.
"Shorts" (Lives up to Five Years)						
99 1/16	97½	Treasury 5¼pc 1973	98 7/16	+ 1/16	5.33	10.86
98 1/16	95¼	Conv. 5¼pc 1974	96¼	.....	5.45	21.24
98⅛	95⅜	Treasury 5½pc 1974	95⅞xd	.....	5.46	9.82
99⅞	95⅝	Treasury 6¾pc 1974	95⅞	.....	7.04	10.21
97 3/16	93⅝	Treasury 6pc 1975	94¼	− 1/16	6.36	10.41
99 15/16	94 11/16	Treasury 8pc 1975●	95 11/16	− 1/16	8.35	10.81
92⅞	88 3/16	Savings 3pc '65-75	89¾	.....	3.34	8.80
95	90 1/16	Exch. 6½pc 1976	90 13/16xd	−⅛	7.15	10.80
95¼	89 3/16	Treasury 6½pc 1976	89 13/16	−⅛	7.23	10.59
98½	96	Victory 4pc 1976	96½xd	.....	4.15	6.44
91 15/16	86 3/16	Treasury 6¼pc 1977	86 13/16xd	−⅛	7.19	10.86
87	82¼	Electric 3pc '74-77	83¼xd	.....	3.60	8.59
85¾	81	Transport 4pc '72-77	81¼	.....	4.92	9.38
101 1/16	92	Treasury 9pc 1978	92 13/16xd	− 1/16	9.70	11.11
Five to Fifteen Years						
86⅞	77⅞	Exchequer 5pc '76-78	78¾xd	.....	6.35	10.52
75½	69⅞	Treasury 3pc 1979●	70¾xd	.....	4.25	9.52
81⅝	72½	Electric 4¼pc '74-79	73xd	.....	5.79	10.27
77⅞	71¼	Do. 3½pc '76-79	71¾	.....	4.95	9.91
100 7/16	89⅞	Treasury 9pc 1980●	90½xd	.....	9.93	11.07
75⅞	68¼	Treasury 3½pc '77-80	69¼	.....	5.11	9.99
83¼	74⅞	Funding 5¼pc '78-80	75⅞	.....	7.07	10.66
75¼	66⅜	Treasury 3½% '79-81	66⅞	.....	5.24	9.91
97¼	86½	Do 8½pc '80-82	87	.....	9.89	11.11
80⅝	70⅞	Funding 5½pc '82-84	71⅞	.....	7.78	10.12
95½	83½	Treasury 8½pc '84-86	84	.....	10.26	11.02
81⅝	71	Funding 6½pc '85-87	71½	.....	9.37	10.84
87¼	75¾	Treasury 7¾pc '85-88	76¼	.....	10.26	11.20
54⅞	47⅞	Transport 3pc '78-88	47⅞	.....	6.33	9.80
Over Fifteen Years						
68⅛	58⅝	Treasury 5pc '86-89	59⅛	.....	8.73	10.57
90⅞	78¼	Treasury 8¼pc '87-90	78¾	.....	10.71	11.33
72⅞	62½	Funding 5¾pc '87-91	63	.....	9.47	10.77
72¾	59⅞	Funding 6pc 1993	60½xd	.....	9.93	10.90
95½	83	Treasury 9pc '94	83½	.....	11.12	11.39
47⅞	39⅞	Gas 3pc '90-95	40	.....	7.71	9.87
96¾	80	Treasury 9pc '92-96	80½xd	.....	11.12	11.37
52	43¾	Redp. 3pc '86-96	43¾xd	.....	6.81	8.64
94⅛	77⅝	Treasury 8¾pc 1997	78½xd	.....	11.19	11.43
75¼	64⅝	Treasury 6¾pc '95-98	65⅛	.....	10.73	11.20
98⅛	84¾	Treasury 9½pc 1999●	85¼	.....	11.30	11.42
43¼	36⅜	Funding 3½pc '99-04	36⅞	.....	9.61	10.43
85¼	73⅜	Treasury 8pc '02-06	74½	.....	11.28	11.40
61⅛	49½	Treasury 5½pc '08-12	50xd	.....	10.96	11.13
79⅞	68¼	Treasury 7¾pc '12-15	68¾	.....	11.39	11.44
Undated						
40⅝	34½	Consols 4pc	34⅞	.....	11.57	—

"Tap" Stocks

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

PUBLIC BOARD AND OTHER LOANS

FOREIGN BONDS & RAILS

AMERICANS

S.E. List Premium 29% (based on $2.4746 per £)

CANADIANS

1973 High	1973 Low	Stock	Price	+ or −	Div.	Cvr	Yld
18 3/16	11 13/16	Int. Nickel	13⅞	+⅛	51c	—	[illegible]
11¼	735p	Massey Ferg.‖	11⅛	+⅛	—	—	—
22¾	11 7/16	Pacific Pet. $1	15¼	+⅛	50c	—	1.3
11	510p	Peoples Dept.‖	585p	.....	8c	—	0.6
42p	22p	Place Gas $1	29p	−1	—	—	—
15⅝	950p	Rio Algom	14¼	+⅓	—	—	—
19¾	14 3/16	Royal Bk. Can. $2	18	.....	88c	†—	2.0
18½	13½	Tor. Dom. Bk. $2	17 3/16	.....	74c	†—	1.8
23¼	13½	Tra. Can. Pipe $1	13¾	.....	$1	—	3.0
700p	550p	White Pass	550p	.....	30c	—	2.1

S.E. List Premium 24% (based on $2.4636 per £)

"Recent Issues" and "Rights" Page 21

For Notes, see page 31

BANKS AND HIRE PURCHASE

Hire Purchase etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS, ETC.

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING AND METAL

ENGINEERING AND METAL—Cont.

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

HOTELS—Continued

INDUSTRIALS—(Miscell.)

هكذا من الأصل

MONEY MARKET

Further small assistance

Bank of England Minimum Lending Rate 11½%
(since July 27, 1973)

Day-to-day credit was again in slightly short supply in the London money market yesterday, and the authorities gave a further small amount of assistance, by buying Treasury bills from the discount houses. Once more, the scale of the official help was in line with that suggested as necessary by the identified factors. Government disbursements were greater than revenue transfers to the Exchequer, but there was a net Treasury bill take-up to be financed, and the authorities held maturing commercial bills.

A rate of 9½ per cent. was bid for secured call loans in the earlier part, and was a common quotation around mid-day. Levels up to 10¼ per cent. were reported on occasion as the day went on, but late business was in a broad range of 9 per cent. to 10 per cent. In the inter-bank market, overnight loans were at 12-12½ per cent. in places to start with, and reached 12½-13 per cent. at one stage around the middle of the day, but then eased away to 11¾-12 per cent. quite quickly, before fluctuating in late dealings in a range of 10½-12 per cent.

Short-term fixed period rates in the various markets were firmer in some cases, with the three-month sterling certificate yield, for instance, rising to 14¾-14½ per cent., from the previous 14¼-14¼ per cent. The fixed period markets remained highly unsettled, however, and this situation found reflection in wide variations in quotations from one quarter to another. Rates given in the table below are largely nominal.

Aug. 29 1973	Sterling Certificates of deposits	Inter-bank	Local Authority deposits*	Local Auth. negotiable bonds	Finance house deposit	Company deposits	Discount market deposits	Treasury bills ǂ	Bank bills ǂ	Fine trade bills ǂ
Overnight	—	10½-13	—	—	—	—	—	—	—	—
2 days notice	—	—	15-15⅛	—	—	—	9 9¼	—	—	—
7 days or 7 days notice	—	12½-13	13-14	—	—	—	—	—	—	—
One month	14⅛-14	13-14⅝	15¼-15⅛	14¼ 13	13½-14	—	10½-10¾	—	—	—
Two months	14⅝-14⅛	13⅝-14½	—	4⅜ 3	14⅜-4½	—	10⅞-11	10⅜-1	13-14⅝	13¾-15½
Three months	14¾-14¼	14 14⅝	13⅞-14	4⅝ 5¼	14⅜ 4½	—	11-11¼	10¾-11⅛	27⅝ 3	13¾-15½
Six months	14⅝-3⅞	13¾ 14¼	13½-14	4¼ 5¼	14⅝ 4¾	—	11⅛-11½	...11⅛	12¾-13	13¾-15½
Nine months	14⅜ 3⅞	13⅝-14⅛	—	4¼ 3¼	4¼ 4⅝	—	—	—	15¼ 14½	13¾-15½
One year	14⅜-13¾	13⅛ 4	14	14½-13¼	3⅞ 4	—	—	—	—	—
Two years	—	—	13½-13⅛	13½-13½	13⅞-14	—	—	—	—	—

† Local authorities and finance houses seven days' notice, other seven days fixed. *Longer-term local authorities mortgage rates nominally 13½-13½ per cent. for three years; 13-13¼ per cent. for four years; and 12-12½ per cent. for five years. ǂ Bank bill rates in table are buying rates for prime paper. Buying rate for four-month bank bills about 13-14¼ per cent.; and four-month trade bills 13½-15½ per cent. Approximate selling rate for one-month Treasury bills 10¾-10⅝ per cent., for two-month 10¾-11 per cent., and for three-month 11-11½ per cent. Approximate selling rate for one-month bank bills 13-12½ per cent.; two-month 12-13¼ per cent., and for three-month 12-12½ per cent.: for one-month trade bills 12-14¼ per cent., two-month 13-15¼ per cent., and three-month 13-15¼ per cent.

Finance House Base Rates (published by the Finance Houses Association) 9 per cent. from August 1. Clearing Bank Deposit Rates for small sums at seven days' notice) 9¼ per cent. and Base Rates for lending 11 per cent.

Treasury Bills: Average tender rates of discount 10.9734 per cent.

Tax Deposit Account: Deposit earned a basic 4.33 per cent. in the April-June quarter if withdrawn within that quarter, and 4.33 per cent. if not in the July-Sept. quarter basic interest accrued at a rate of 7.33 per cent. for deposits withdrawn within the quarter, and if not so withdrawn, at a rate to be fixed at the end of the quarter (by averaging the Treasury bill rate for the period). Bonus rate 2.5 per cent.

BANK BASE RATES

Allied Irish Banks Ltd.	11 %
Anglo-Eastern Bank	11½%
Anglo-Portuguese Bank	11 %
Banco de Bilbao	11 %
Bank of Cyprus	ǂ11½%
■ Wm. Brandt's	11 %
Brit. Bk. of Commerce	12 %
Brit. Bank of Mid. East	11 %
■ Brown Shipley	11½%
Cedar Holdings	11 %
■ Charterhouse Japhet	11 %
Choulartons	11 %
C. E. Coates	11½%
Consolidated Credits	11 %
Co-operative Bank	*11 %
Corinthian Securities	11 %
Credit Lyonnais	11 %
G. R. Dawes	11 %
Dawnay Day	11½%
Duboff Brothers	11 %
Dunbar & Co. Ltd.	11½%
Duncan Lawrie	11 %
English Transcont.	11 %
First Maryland	11 %
FNFC	11 %
■ Antony Gibbs	11½%
Gresham Trust	11½%
Greyhound Guaranty	11 %
■ Guinness Mahon	11 %
■ Hambros Bank	11 %
Hawtin & Partners	11 %
■ Hill Samuel	§11½%
C. Hoare & Co.	†11 %
Julian S. Hodge	11 %
Italian International	10½%
Jacobs, Kroll	11½%
Keyser Ullmann	11 %
Kinghurst Securities	11½%
London & County Sec.	11½%
London Mercantile	11 %
■ Samuel Montagu	11 %
■ Morgan Grenfell	11 %
Morris Wigram Ltd.	11
Northern Comm. Tst.	12 %
■ Rea Brothers	11½%
■ N. M. Rothschild	11 %
St. Mary Axe Finance	11½%
F. S. Schwab	11 %
Security Tst. Co. Bhm.	11½%
Standard Guarantee	11½%
Sterling Credit	11½%
Sterling Industrial Sec.	11½%
Swiss-Israel Trade Bk.	11 %
Twentieth Century Bk.	11 %
Wallace Bros. Sassoon	11½%
Whiteaway Laidlaw	11 %
G. T. Whyte	11 %
Wintrust	12 %

■ Members of the Accepting Houses Committee.
* Seven-day deposits 9½%; one-month 9½%.
† Seven-day deposits—on sums of £10,000 and under 9½%; up to £25,000 9¾%; over £25,000 10%.
§ Demand Deposits 10½%.
ǂ Linked to M.L.R.

SHIPPING (40)

[illegible]

TEA & COFFEE (14)

[illegible]

TRAMWAYS & OMNIBUS (1)

[illegible]

WATERWORKS (17)

[illegible]

SPECIAL LIST
AUGUST 29 (Nil)

RULE 163 (1) (e)

Bargains marked under Rule 163 (1) (e) in securities for which quotation has not been granted and which are not recorded in the Official List.

AUGUST 29

[illegible]

Oriental Tin 268
Blue Metal Inds. 100
Boral 172
Bougainville Mining 1730 60 5 7 70 3 6
Bridge Oil 5¼0
B.P. Canada 773 7
Colonial Sugar 2900 2 5
Cominco £15¼0
Comstock Minerals (20c) ¾0
Conzinc Rio Tinto 3900 2 90 85
Cork Inv. 28
Distillers Corp Seagram $US40½0
E.Z. Industries 250
Endeavour Oil 6¼ ½ ¼
Exxon Corp. £44

Nottingham Mnfg. Ord. 800 should have been to the 5½pcUnscd.Ln. (1993-98) (28/8)

ERRATA

Brit. Leyland Motor Cpn. Ord. 243¼ 5½, etc., should have been 243¾ 5½, etc (24/8)
Vibroplant Hldgs. Ord. 135½ 7½: 9 (23/8) 138 ½ 8 7½ 7 (24/8) should have been to Vickers Ord. Stk.
Hawker Siddeley Gp. 5½pcCum.Pf. should not have been marked 46 (24/8)
Charter Consd. (Br.) 1940 50 6, etc., should have been to the (Reg.) (24/8).
Assoc. Newspapers Gp. 8¼pcLn.Stk. (89-94) 73 should have been 73: (24/8)
Empire Stores (Bradford) 5pcCum.Pf. 51 should have been 41 (28/8)

CORAL INDEX
Close 417-422

NEW "HIGHS" AND "LOWS" FOR 1973

New "lows," which are too numerous to name individually, were attained by 143 securities and are listed below in their sub-sections. New "highs" numbered 11.

NEW "HIGHS" (11)

CANADIANS (1)
Cabot Exploration
BUILDINGS (3)
Hallam (Vic) Johnson Cnstr. Eqpt.
Jarvis (J.)
ENGINEERING (1)
Raine Eng'g
FOODS (1)
Bishops Stores
INDUSTRIALS (1)
Hoffnung
PAPER & PRINTING (1)
Inveresk
PROPERTY (2)
Cavendish Lond. Provl. Shop
TEXTILES (1)
Yorkshire Fine

NEW "LOWS" (143)

CORPORATION LOANS (3)
BANKS (6)
BUILDINGS (9)
CHEMICALS (4)
DRAPERY & STORES (9)
ELECTRICALS (6)
ENGINEERING (10)
FOODS (9)
HOTELS (3)
INDUSTRIALS (21)
INSURANCE (5)
MACHINE TOOLS (1)
MOTORS (8)
SHIPPING (2)
TEXTILES (4)
TRUSTS (30)
OILS (2)
TEAS (1)
MINES (10)

PUBLIC NOTICES

LOCAL AUTHORITY BILLS

The following bills were issued on 29th August, 1973 to mature on 28th November 1973 at 10.9734%.

HAMPSHIRE COUNTY COUNCIL
£1,250,000 Bills issued. Applications totalled £11,000,000 and there are £6,250,000 Bills outstanding.

WILTSHIRE COUNTY COUNCIL
£2,500,000 Bills issued. Applications totalled £20,250,000 and there are £2,500,000 Bills outstanding.

MIDLOTHIAN COUNTY COUNCIL BILLS
NOTICE IS HEREBY GIVEN that the County Council of Midlothian has issued on 29th August, 1973, £2,000,000 of Midlothian County Council Bills at an average rate of 11.0131% [illegible] for the Bills which will mature on 28th November, 1973, amounted to £12¼m. These are the only Midlothian County Council Bills outstanding.

E. GEDDES,
County Treasurer.
24th August, 1973.

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	1	6	42
Corps. Dom. and Foreign Bonds	5	12	67
Industrials	291	279	1,232
Financial and Prop.	96	139	446
Oils	12	4	17
Plantations	3	11	43
Mines	69	24	68
Recent Issues	12	6	23
Totals	489	481	1,938

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F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of The Financial Times, The Institute of Actuaries and The Faculty of Actuaries

	EQUITY GROUPS / GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed. Aug. 29, 1973 Index No.	Day's Change %	Est. Earnings yield % (full)	Gross Div. yield %	Est. P/E Ratio (net)	Est. P/E Ratio (nil)	Tuesday Aug. 28 Index No.	Friday Aug. 24 Index No.	Thur. Aug. 23 Index No.	Wed. Aug. 22 Index No.	Year ago (approx.) Index No.	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (184)	157.40	+0.4	10.72	4.47	12.94	12.93	156.70	156.82	157.69	158.31	192.21	188.03	156.70	206.37	82.89
2	Building Materials (29)	165.48	+0.1	11.81	4.59	11.65	11.65	163.26	163.17	165.45	166.19	204.53	196.69	160.00	233.84	86.01
3	Contracting, Construction (22)	274.90	+0.1	11.29	3.07	12.49	12.45	274.63	274.23	276.48	275.93	374.65	348.47	263.95	389.48	84.59
4	Electricals (16)	264.77	+1.3	10.47	3.82	13.18	13.18	261.33	262.23	261.73	263.01	316.80	307.90	259.35	350.04	84.71
5	Engineering (Heavy) (15)	174.89	+0.1	11.66	4.44	11.23	11.23	174.77	174.94	176.82	175.97	170.80	202.87	163.41	202.87	151.45
6	Engineering (General) (64)	132.49	+0.4	10.55	5.29	13.24	13.24	131.96	132.06	132.47	133.61	162.24	158.64	131.96	168.59	131.96
7	Machine and Other Tools (14)	57.07	+0.3	4.90	7.13	35.44	32.60	56.87	56.84	56.98	57.02	67.24	67.88	56.84	136.70	44.60
8	Miscellaneous (24)	143.45	—	9.61	4.34	14.36	14.53	143.47	143.51	144.16	143.82	170.63	173.76	143.45	177.41	69.01
9	CONSUMER GOODS (DURABLE) (59)	164.76	+0.1	11.67	3.79	11.85	11.81	164.55	164.54	164.78	165.57	218.85	210.88	164.54	227.78	79.16
10	Lt. Electronics, Radio, TV (13)	194.08	—	9.21	2.33	15.13	15.04	194.11	193.87	193.81	194.84	248.72	251.93	187.41	257.41	71.10
11	Household Goods (16)	198.97	—	14.38	4.19	9.60	9.55	199.03	198.78	199.71	200.45	254.25	237.99	198.78	263.22	86.65
12	Motors and Distributors (30)	94.87	+0.3	13.70	5.42	10.04	10.04	94.54	94.71	94.94	95.37	134.66	122.75	94.54	170.59	75.92
13	CONSUMER GOODS (NON-DURABLE) (171)	167.54	+0.6	10.00	4.32	13.82	13.71	166.54	166.93	167.01	167.03	221.53	212.14	165.83	226.08	82.71
14	Breweries (16)	193.94	+0.9	10.22	4.48	13.99	13.99	192.15	193.34	193.37	192.81	270.48	255.23	187.61	281.67	80.30
15	Wines and Spirits (8)	188.14	+0.9	9.75	4.49	14.48	14.48	186.52	186.56	187.72	187.14	221.58	216.12	174.44	257.40	118.78
16	Entertainment, Catering (16)	215.77	+0.1	10.57	4.72	12.94	12.91	215.61	216.45	216.52	216.65	307.85	325.30	215.61	329.99	80.11
17	Food Manufacturing (24)	149.60	+0.9	11.10	4.44	12.56	12.36	148.22	149.20	149.70	149.47	198.17	187.87	148.22	211.65	95.98
18	Food Retailing (18)	166.09	+1.0	8.15	3.10	17.53	17.53	158.51	153.78	155.80	155.22	229.22	217.46	151.08	235.08	94.62
19	Newspapers, Publishing (16)	219.57	+0.5	11.57	3.94	12.28	12.28	218.49	219.58	221.14	222.18	248.77	260.29	217.94	260.29	81.74
20	Packaging and Paper (15)	100.27	+0.8	11.21	5.43	12.21	12.18	99.45	99.80	99.42	99.12	128.22	126.47	99.12	156.69	87.91
21	Stores (29)	153.57	+0.3	8.32	3.53	17.32	17.32	153.06	152.94	152.71	152.87	199.17	186.50	148.34	204.39	72.74
22	Textiles (20)	166.99	+1.1	13.23	5.52	8.84	8.24	165.15	165.32	164.86	164.94	230.27	213.80	164.47	265.73	89.90
23	Tobacco (3)	246.86	—	11.48	6.40	12.11	12.06	246.96	245.97	246.20	248.55	308.64	289.66	242.10	339.18	94.34
24	Toys and Games (6)	62.12	—0.1	11.01	3.36	12.88	12.88	62.18	61.76	62.13	62.61	74.07	80.79	61.76	135.72	44.90
	OTHER GROUPS															
25	Chemicals (22)	158.76	+1.0	8.33	4.43	16.60	16.56	157.26	157.19	156.66	157.84	199.26	191.47	155.35	201.92	93.29
26	Office Equipment (10)	176.34	—0.1	5.73	2.38	25.00	25.00	176.52	176.49	176.68	178.07	244.10	237.62	165.93	246.06	109.12
27	Shipping (10)	441.69	—0.2	8.60	3.97	13.82	13.42	442.74	445.09	442.85	443.57	475.57	515.97	441.69	517.00	90.80
28	Miscellaneous (41)	190.56	+0.4	9.92	4.04	14.17	14.17	189.76	189.92	191.00	192.22	251.22	242.59	189.76	256.85	78.52
	INDUSTRIAL GROUP (497)	168.05	+0.5	9.94	4.22	13.87	13.77	167.21	167.42	167.71	168.21	216.42	207.00	167.21	220.17	180.61
	Oil (3)	272.51	+2.3	5.53	4.52	23.99	18.10	266.43	266.20	267.76	268.96	323.74	326.59	266.05	431.66	87.23
	500 SHARE INDEX	177.10	+0.7	9.59	4.26	14.65	14.20	175.83	176.16	176.40	176.96	225.81	217.40	175.83	227.95	84.86
32	FINANCIAL GROUP (101)	177.95	+0.4	—	3.44	—	—	177.29	177.44	177.02	177.82	234.15	230.42	177.29	241.41	69.85
33	Banks (6)	196.13	+0.8	15.68	3.20	10.33	10.33	194.63	194.38	194.12	194.01	247.93	269.62	184.01	288.32	69.25
34	Discount Houses (8)	179.56	—	—	6.53	—	—	179.56	180.96	184.49	184.61	247.54	256.37	179.56	293.13	87.65
35	Hire Purchase (5)	295.02	+0.7	11.07	4.27	12.91	12.91	292.83	291.12	290.55	291.43	415.40	374.92	290.05	433.72	88.92
36	Insurance (Life) (9)	133.35	+0.5	—	4.04	—	—	132.62	132.76	133.54	133.86	189.09	186.26	132.62	194.46	61.36
37	Insurance (Composite) (8)	105.72	+0.3	—	4.83	—	—	105.43	105.62	105.56	105.84	146.62	141.37	105.43	156.76	54.40
38	Insurance (Brokers) (8)	192.16	+0.6	8.16	3.63	17.33	17.33	190.98	191.56	191.75	192.52	242.99	249.06	190.98	262.37	82.59
39	Merchant Banks (18)	186.64	—0.3	—	2.96	—	—	187.19	187.80	188.18	189.03	231.72	253.12	186.64	278.57	50.47
40	Property (29)	286.14	+0.3	3.47	2.13	38.69	37.86	285.29	285.29	284.68	284.57	291.18	310.44	222.06	324.22	58.01
41	Miscellaneous (10)	184.81	—0.6	9.26	4.97	15.33	15.33	185.97	188.64	190.29	194.00	261.51	281.14	184.81	308.18	120.06
42	Investment Trust Group (50)	174.13	—0.4	3.29	3.30	30.39	30.39	174.89	175.37	175.21	175.39	253.45	236.15	172.30	245.79	60.84
43	ALL-SHARE INDEX (651)	175.92	+0.6	—	4.03	—	—	174.90	175.21	175.59	175.80	224.35	219.02	174.90	238.18	83.72
	COMMODITY GROUPS (Not included in 500 or All-Share indices)															
44	Rubbers (10)	456.83	—8.8	4.69	4.37	28.62	22.81	459.30	476.27	478.66	483.54	335.41	556.37	415.62	555.37	84.68
45	Teas (10)	109.41	+0.3	3.07	6.68	60.08	38.99	109.08	109.30	109.61	110.17	111.28	120.92	108.94	121.47	59.96
46	Coppers (4)	503.83	—0.2	19.66	7.99	5.09	5.09	504.99	503.68	503.68	511.78	407.53	567.78	445.73	567.78	94.08
47	Mining Finance (11)	107.63	+0.5	5.34	2.85	20.15	19.97	107.08	109.88	110.06	113.71	123.43	127.69	106.39	175.90	70.93
48	Tins (8)	92.33	—0.6	7.70	6.94	17.46	13.71	92.89	95.84	96.57	97.95	108.93	125.34	92.33	125.34	54.83

	FIXED INTEREST	Wed., August 29 Index No.	Yield %	Tuesday August 28	Friday August 24	Thurs. August 23	Wed. August 22	Tuesday August 21	Monday August 20	Friday August 17	Year ago (approx.)	1973 High	1973 Low	Since Compilation High	Since Compilation Low
1	Consols 2½% yield	—	11.43	11.42	11.41	11.54	11.60	11.46	11.33	11.32	9.67	—	—	—	—
2	20-yr. Govt. Stocks (6)	62.33	ǂ10.56	62.35	62.43	61.98	61.86	62.32	62.86	62.92	74.75	74.22 (23/1)	61.86 (22/8)	116.42 (11/9/63)	61.86 (22/8/73)
3	20-yr. Red. Deb. & Loans (15)	62.53	ǂ11.87	62.66	62.72	62.72	62.77	62.82	62.87	62.87	73.00	72.05 (22/2)	62.53 (29/8)	113.43 (23/10/63)	62.53 (29/8/73)
4	Investment Trusts Prefs. (15)	54.83	12.08	55.30	55.50	55.34	55.80	55.80	55.80	56.08	60.38	69.76 (15/1)	54.83 (29/8)	114.41 (13/9/63)	54.85 (29/8/73)
5	Coml. and Indl. Prefs. (20)	68.63	11.35	68.81	68.91	68.99	69.10	69.29	69.75	69.71	82.92	77.33 (3/1)	68.63 (29/8)	114.41 (7/10/63)	68.63 (29/8/73)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Engineering (Heavy)	31/12/71	153.84	Office Equipment	16/1/70	162.74
Engineering (General)	31/12/71	153.84	Industrial Group	31/12/70	128.06
Food Manufacturing	29/12/67	114.13	Miscellaneous Financial	31/12/70	128.06
Food Retailing	29/12/67	114.13	All Other	10/4/62	100.00
Insurance Brokers	29/12/67	96.67			
Mining Finance	29/12/67	100.00			
Wines and Spirits	16/1/70	144.76			
Toys and Games	16/1/70	135.72			

ǂ Redemption yield. F.T.-Actuaries Indices are calculated by Extel-Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the F.T.-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 16p. Commonwealth 18p. Foreign 22p.

CONSTITUENT CHANGE: Montagu Trust has been replaced by Edward Bates and Sons Ltd. (Merchant Banks).

Government aid sought for Glasgow rail plans

BY OUR OWN CORRESPONDENT GLASGOW, August 29.

THE GOVERNMENT is to be asked to implement a British Rail electrification scheme for the Glasgow conurbation, and also a scheme for the Glasgow underground.

They could provide, by 1977, an inter-linked public transport service which would encourage motorist all-day parkers to leave their cars outside the city.

In principle

The two schemes approved in principle to-day by the steering committee of the Greater Glasgow transportation study group are estimated to cost respectively £28.57m. and £10.7m. The Government is to be asked to provide the 75 per cent. infrastructure grant on both schemes amounting to some £30m.

British Rail would be responsible for meeting 25 per cent. of the cost of its scheme, while the 25 per cent. to be met by the Greater Glasgow Transport Authority in modernising the city's underground would be spread over the 22 constituent local authorities benefiting from it on a 40-year financing basis.

Lord Provost William S. Gray said after the meeting "that, if the Government approves their plans and very strong measures will be taken to achieve this, the schemes could be operative by 1977."

"We are to seek an early meeting with the Government to secure implementation of these recommendations by British Rail and the Passenger Transport Authority.

"It is part of the strategy of this ambitious and positive plan to keep the full-day car parker out of the city centre and make him use these vastly improved public facilities.

"For the first time we are taking definite and positive steps to weight the scales in favour of the ordinary person who travels by public transport."

Fast services

The general plan will give the Glasgow conurbation what is claimed to be the best system of inter-related fast electric train services of any city in Britain outside London. By next May, the electrification of the line from London through Crewe to Glasgow will be completed, and the various services linked to Glasgow Airport will give a road system comparable with the best in Europe.

Union calls for State film industry take-over

BY ARTHUR SANDLES

MASSIVE REFORM of the film and cinema business in Britain, the biggest move of which would be the nationalisation of the main companies involved, has been demanded by the Association of Cinematograph, Television and Allied Technicians.

The document will go to the Labour Party with a call that it should become official policy.

The ACTT wants to see no-compensation State ownership of American International Pictures, Avco Embassy, Cinerama, Columbia, EMI, Hammer, Kodak, Lion International, MGM, Paramount Pictures, Rank Organisation, Technicolor, Twentieth Century Fox, United Artists, Universal Pictures, Walt Disney and Warner Brothers.

The union argues that "to-day the logic of profit is driving the companies, which in the past reaped their glory and their gold from the film industry, to dismember it. The workers are discarded and the public is disregarded."

The union suggests that the cinema should become a "cultural and social service." Finance would come from State capital investment, ticket sales at home and abroad and sales to television. The industry would be worker controlled. "Decisions concerning which projects to put into production could initially be taken by unit management committees in consultation with groups of writers, directors and producers."

Meanwhile, the ACTT is locked in a more immediate debate. Seriously concerned about the number of film projects which run out of cash the union is making its firm policy to seek two weeks' pay in advance. Film makers will be asked to pay the money into neutral hands before the shooting of a feature film starts.

"We have been let down half a dozen times recently," says Mr. Alan Sapper, general secretary.

'Airlines paying terrorists'

BY OUR OWN CORRESPONDENT TEL AVIV, August 29.

INFORMATION REACHING Israeli circles indicates that a number of European airlines who have routes to Israel may have been paying money to Arab terrorist organisations to ensure that their planes will not be hijacked or damaged. Official circles declined any comment on this information which was splashed to-day in Israeli newspapers.

The reports said that, with one exception, no planes of the airlines which have paid or are paying blackmail money have been the target of Arab terrorist action. According to the information the money is deposited in a discreet way in accounts of the two factions of the Popular Front for the Liberation of Palestine — one headed by Dr. George Habbash and the other by Ahmed Jibril. At least two payments were made to the Palestine Liberation Organisation.

Ten out of 16 companies which use Lod Airport have not been affected by Arab terrorist activities: Turkish Airlines, Rumanian Tarom, Alitalia, BEA, KLM, SAS, BOAC, Canadian Pacific, Cyprus Airlines and Air France.

SHARE INFORMATION SERVICE: NOTES

[illegible]

LEADERS AND LAGGARDS

The following table shows the percentage changes* which have taken place since December 29, 1972, in the principal equity Sections of the F.T.-Actuaries Share Indices. It also includes the F.T. Gold Mines Index.

Gold Mines F.T.	+55.30	Hire Purchase	—19.34
Coppers	+ 7.67	Toys and Games	—19.52
Rubbers	+ 5.97	All-Share Index	—19.94
Engineering (Heavy)	— 0.85	Consumer Goods (Durable) Group	—20.64
Teas	— 3.98	Motors and Distributors	—20.75
Property	— 7.48	Food Manufacturing	—20.96
Mining Finance	— 8.03	Packaging and Paper	—21.12
Newspapers and Publishing	— 9.76	Consumer Goods (Non-Durable) Group	—21.44
Shipping	—11.06	Investment Trusts	—21.50
Wines and Spirits	—11.76	Electronics, Radio and TV	—21.69
Electricals	—12.40	Financial Group	—22.35
Machine Tools	—14.53	Textiles	—22.72
Tobacco	—15.00	Merchant Banks, Issuing Houses	—23.58
Capital Goods Group	—15.21	Insurance (Brokers)	—23.68
Engineering (General)	—16.15	Discount Houses	—25.88
Household Goods	—16.23	Insurance (Composite)	—25.39
Office Equipment	—16.31	Banks	—26.66
Building Materials	—16.82	Breweries	—27.53
Chemicals	—16.68	Insurance (Life)	—29.22
Tins	—17.55	Food Retailing	—29.25
Contracting and Construction	—17.92	Entertainment and Catering	—32.23
Oil	—17.99		
Stores	—18.07		
500 Share Index	—18.92		
Industrial Group	—19.06		

*Percentage changes based on Tuesday, August 28, 1973, indices.

INSURANCE, PROPERTY, BONDS

Abbey Life Assurance Co. Ltd.
Atlantic Assurance Co. Ltd.
Barclays Griffin Life Ass. Co. Ltd.
Wm. Brandt's Sons and Co.
Canada Life Assurance Company
Cannon Assurance Ltd.
Capital Life Assurance
The City of Westminster Assur. Soc.
Second Managed Fund
Commercial Union Group
Cornhill Insurance Co. Ltd.
Crescent Life Ass. Co. Ltd.
Crusader Insurance Co. Ltd.
Dominion-Lincoln Equity Assur.
Eagle Star Insur./Midland Assce.
Ebor Phoenix Assurance
Fidelity Life Assurance Ltd.
Growth & Sec. Life Ass. Soc. Ltd.
Guardian R.E.
Hambro Life Assurance Limited
Hearts of Oak Benefit Society
Hill Samuel Life Ass. Ltd.
Hodge Life Assurance Co. Ltd.
Imperial Life Ass. Co. of Canada
The Individual Life Ins. Co. Ltd.
Investment Annuity Life Assur.
Irish Life Assurance Co. Ltd.
King & Shaxson Ltd.
Langham Life Assurance Co. Ltd.
Life & Equity Assurance
Life Assur. Co. of Pennsylvania
Lloyd's Life Assurance Ltd.
London Indemnity & General
M. and G. Group
Magna Assurance Company Ltd.
Manfrs. Life Insur. Co. (U.K.) Ltd.
Marine & Gen. Mutual Life Ass. Soc.
Nation Life Insurance Co. Ltd.
NEL Pensions Limited
Norwich Union Insurance Group
Oakhill Insurance Ltd.
Old Broad Street Secs. Assur. Ltd.
Phoenix Assurance Co. Ltd.
Prop. Equity & Life Assce. Co.
Property Growth Assur. Co. Ltd.
Prudential Pensions Limited
Reliance Mutual
Royal Insurance Group
Save and Prosper Group
Saveguard Assurance Limited
Schroder Assurance Ltd.
Scot. Widows' Fnd. & Life Ass. Soc.
Sun Life of Canada (U.K.) Ltd.
Target Life Assurance Co. Ltd.
Trident Investors Life Assurance
Tyndall Assurance Ltd.
Tyndall Pension Ltd.
Vavasseur Life Assurance Ltd.
Welfare Insurance Company Ltd.
Windsor Life Assce. Co. Ltd.

[illegible]

NOTES
† Yield allows for all buying expenses. Prices of certain older insurance linked plans subject to capital gains tax on sales. [illegible] Not available: exchange restrictions.

THE LEX COLUMN

Index rose 4.5 to 417.7

Insurance brokers and the Dollar

Staplegreen's 1972-73 results—profits just over a fifth higher at £2¼m.—follows a period of untypical price weakness for the insurance broking sector, which stretches back to mid-summer. The start of the decline coincided with rising Sterling/Dollar exchange rates—U.S. business accounts for over two-fifths of brokerage income in some cases—with reports of overcapacity in the U.S. market, and with evidence of premium rate pressures, most apparent in aviation. Since then, moreover, Lloyd's has confirmed the question marks hanging over the 1972 and 1973 underwriting accounts.

In fact, the average Sterling/Dollar rate after nearly nine months is still below January-September 1972 levels, as well as last year's overall average (around $2.50). Finance directors would have been under no pressure to repatriate dollars in June or July, and groups like Minet have sizeable profits sources in other overseas territories. As for volume, growth rates have clearly slowed down but not, apparently, reversed. Sedgwick Forbes, for example, reckons that speciality lines like oil rigs or VLCC's have compensated for any shortfall in bread and butter business from the U.S., and Minet shares its view.

However, if growth targets in brokerage have been revised down, most of the majors have a calendar year-end and will be consolidating strongly rising underwriting profits over the next two years (that is the 1970 and 1971 accounts) while for the third major profit component—interest receipts—the comparison is with average base rates of under 5 per cent. in first half 1972.

There is the base for projections of earnings growth approaching a fifth for the sector in 1973 and for the long term value in net prospective p/e's averaging 15 or less. Staplegreen's rating problem, however, is to do with the size of its underwriting business—the 1970 account may make up as much as two-fifths of its latest profits total—and with its high brokerage expense ratios. The net 1972-73 p/e is around 12¼ at 283p.

See also Page 21

Slough Estates

The 1973 income picture at Slough Estates takes in a better rate of new lettings than expected, a rent freeze which has cost the first half £40,000 but will really only bite in the second (with mid-year rent revisions the typical pattern at Slough), and thus the strong likelihood that the second six months will not show the same growth as the rise from £1.62m. to £1.80m. pre-tax which has emerged for the period to June. However £3.65m. for the year, against £3.37m., with a tax charge that comes out at 41½ per cent. after allowances, would produce net earnings of 2.32p a share. This grosses up to 3.32p, so what is one to make of an earnings yield of 4.4 per cent. at 75½p?

In the first place, it can be seen as fully distributable and thus roughly in line with the dividend yield of the general run of equities: not by any means an exciting holding, but the relative lack of scope for immediate dividend hoists is compensated by higher quality. Secondly, it could be compared with a direct investment in a fairly high grade commercial property, and might appear relatively attractive: management taken care of, with growth prospect perhaps above average.

Finally, the second comparison could be made at the strategic level, where a capitalisation of £68m. yields 5.4 per cent. pre-tax, and stands a jot above a net asset value which was presumably established (in mid-1972) on the basis of an 8 per cent. yield or more. It then looks distinctly attractive to a gross fund.

Slough's problem in the context of the quoted property sector is that, with virtually no gearing in the U.K. and three-quarters of its assets rather fully exploited (mostly at Slough), it lacks sex appeal.

See also Page 21

British Rollmakers

With Davy International still negotiating with the Department of Trade and Industry, British Rollmakers' interim statement not surprisingly has some of the tone of a defence document. Pre-tax profits are up by three-quarters to £769,000, the group is "thriving on competition at home and abroad," and you can take your pick either of a going concern property valuation putting the net worth at 73p a share or a break-up basis suggesting 60p; the share price is 54p.

However, some study of half to half trends produces rather less buoyant conclusions. January-June, 1972, was depressed by the miners' strike among other things; and first-half 1973 rollmaking profits have dropped well below the levels reached in the second half last year; while the tools side (a third of trading profits) owes most of its progress to a clawback of old Rolls-Royce bad debts. Again, the forecast that July-December profits should be at least as good as in the first half will need to prove conservative if BR is to get much beyond its 1971 peak of £1.53m. pre-tax. In fact there is no shortage of demand, with the order books pretty well full for the rest of the year, but skilled labour is scarce and margins are not up to historic standards. On a prospective p/e of 16 BR may have trouble fighting off a bid in the unlikely event of Davy getting a free hand.

See also Page 20

Johnson Matthey

A jump of 91 per cent. in Johnson Matthey's first quarter profits before tax leaves a very wide target area for this year's earnings. Profits were bunched in the second half last time, which argues for a slowdown later this year, but on the other hand the build-up of Rustenburg's platinum output—apparently going according to plan—will bring a progressive boost to the refining side. Bullion dealing volume may have been exceptional in the first quarter, but the importance of this should not be exaggerated. It now looks realistic to talk about £16m. pre-tax for the year against £10.9m., making the shares at 413p seem cheap at nine times prospective earnings.

See also Page 20

Weather

U.K. TO-DAY

SUNNY INTERVALS, showers in the North, first in S.E.

London, S.E. Eng., E. An. Cloudy, occasional rain, intervals developing. Wind moderate. Max. 19C (66F).

Cent., S. and S.W. Eng., Midlands, Channel Is., S. Sunny intervals. Wind moderate. Max. 18C (64F).

E., N.W., Cent. N. and N.E. Eng., N. Wales, Lakes, Borders, S.W. Scotland. Sunny intervals, showers. Wind W., moderate, fresh. Max. 16C (61F).

Edinburgh and E. Scot., Aberdeen, Glasgow, Moray, Cent. Highlands, Caithness, Argyll, N.W. Scot., N. Ire. Showers, sunny intervals. Wind W., fresh or strong. Max. 15C (59F).

Orkney, Shetland. Showers, sunny intervals. Wind W., strong. Max. (55F).

Outlook: Mainly dry, rain N.W. later.

Lighting-up: London 20.35, Manchester 20.35, Glasgow [illegible], Belfast 20.52.

BUSINESS CENTRES

Alexandria	[illegible]	[illegible]	[illegible]
Amstrdm.	[illegible]	[illegible]	[illegible]
Athens	[illegible]	[illegible]	[illegible]
Bahrain	[illegible]	[illegible]	[illegible]
Beirut	[illegible]	[illegible]	[illegible]
Belfast	[illegible]	[illegible]	[illegible]
Belgrade	[illegible]	[illegible]	[illegible]
Berlin	[illegible]	[illegible]	[illegible]
Birmghm.	[illegible]	[illegible]	[illegible]
Bristol	[illegible]	[illegible]	[illegible]
Brussels	[illegible]	[illegible]	[illegible]
Budapest	[illegible]	[illegible]	[illegible]
B. Aires	[illegible]	[illegible]	[illegible]
Cairo	[illegible]	[illegible]	[illegible]
Cardiff	[illegible]	[illegible]	[illegible]
Cologne	[illegible]	[illegible]	[illegible]
Copnhagn.	[illegible]	[illegible]	[illegible]
Dublin	[illegible]	[illegible]	[illegible]
Edinb'rgh	[illegible]	[illegible]	[illegible]
Frankfurt	[illegible]	[illegible]	[illegible]
Geneva	[illegible]	[illegible]	[illegible]
Glasgow	[illegible]	[illegible]	[illegible]
Helsinki	[illegible]	[illegible]	[illegible]
H. Kong	[illegible]	[illegible]	[illegible]
Jo'burg	[illegible]	[illegible]	[illegible]
Lisbon	[illegible]	[illegible]	[illegible]
London	[illegible]	[illegible]	[illegible]
Luxembrg.	[illegible]	[illegible]	[illegible]

HOLIDAY RESORTS

Ajaccio	[illegible]	[illegible]	[illegible]	
Algiers	[illegible]	[illegible]	[illegible]	
Barcelona	[illegible]	[illegible]	[illegible]	
Biarritz	[illegible]	[illegible]	[illegible]	
Blackpool	[illegible]	[illegible]	[illegible]	
Bordeaux	[illegible]	[illegible]	[illegible]	
Boulogne	[illegible]	[illegible]	[illegible]	
Casablanca	[illegible]	[illegible]	[illegible]	
Cape Tn.	S	19	66	Nassau
Corfu	S	29	84	Nice
Dubrovnik	C	23	77	Nicosia
Faro	S	29	84	Oporto
Funchal	S	24	75	Rhodes
Gibraltar	S	26	79	Salzburg
Guernsey	C	16	61	Tangier
Innsbruck	F	16	61	Tenerife
Inverness	S	19	66	Tunis
I. of Man	R	15	59	Valencia
Istanbul	S	25	77	Venice
Jersey	C	17	63	

S—Sunny. F—Fair. C—Cloudy. D—Drizzle. Fg—Fog.

Lombard

Looking for the silver lining

BY JOE ROGALY

EVERYONE appreciates a varied diet. This makes life difficult for those whose task it is to record the current situation, since too much "gloom and doom" can become monotonous, and tiresome to convey. I myself feel a great desire to report good cheer, particularly after such a long run of glorious weather. It would be especially pleasant to be proved wrong: if the Government really has solved our economic problems, and broken through to a sustained higher rate of growth—while at the same time avoiding undue social stress—then the general delight would be wholehearted, unmarred by any pea-beneath-the-mattress chagrin at having been made to look foolish.

Optimism

The awkward fact, however, is that it is necessary to believe in a run of extraordinary good luck if one is to argue any serious case for optimism. This can best be understood by facing up to the less palatable truths for a moment. The least comforting of them all is the plain fact that confidence has been so shattered by the events of the past few years—abroad as much as at home—that it will take more than the sight of a few swallows to rebuild it.

The latest quarterly review of the Moscow Narodny Bank (which, for all its associations is essentially an extremely conservative institution) argues that the fall in sterling this year, and particularly since March, cannot be explained by the publication of adverse balance-of-trade figures. "The uncertainty of the exchange rate with its bias towards falling can be explained more fully by adverse sentiment than by economic factors alone," the bank comments.

What is more, movements in the rate under a floating regime are different from the movements under a fixed-but-alterable rate system. Markets nearly always over-react and correct themselves: swings are thus—at least in the first instance—usually exaggerated. Again, in former days sterling was measured against a dollar whose value seemed to be immutable. Now we take the weighted average rate against the currencies of major trading partners, with the effect that the price of sterling constantly reflects not only British weaknesses (or, theoretically, strengths), but the strengths or weaknesses of, say, the yen, the D-mark and the franc. Until the world becomes more accustomed to this it will be difficult to rebuild lasting confidence.

J-Curves

Moscow Narodny alludes to another factor peculiar to the current situation. With a straightforward, brisk, devaluation of a fixed currency (such as in 1967) the initial effect on the balance of payments is bad, but in due course there can be a turnaround as cheaper British goods find more foreign markets and fewer expensive imports are bought. This "J-curve" theory has been the foundation for some optimism about the present outlook. But, leaving aside the vast fiscal and monetary differences between the policies of 1968-9 and 1972-3, there is another factor peculiar to the present: we are faced with a succession of J-curves. This is because we have floated downwards in steps; the equivalent of a series of devaluations.

The effect could be that just as the balance of payments is righting itself according to the curve that might reasonably be expected to be produced by the 6 per cent. downwards float of June 1972, we could be sliding down the first part of the J-curve that could result from the 13 per cent. effective devaluation of March, 1973; the process could then be repeated again with the midsummer plunge to an 18 per cent. "devaluation." This succession of slithers is partly the result of the fall in confidence, partly a reflection of a strengthening of others' currencies, and partly a consequence of the extraordinary increase in commodity prices, which has so bedevilled our terms of trade.

Those who seek good cheer, then, can do so in reflections on the likelihood of such causes of "gloom and doom" being reversed. Commodity prices cannot move upwards infinitely: it is not unreasonable to expect at least a slackening of the rate of increase and even some falls. Confidence can be restored especially if Phase III is thought likely to be a success (which means believing that trade union members will accept restraint on incomes in 1974 at least equal to that enforced in 1973), and most particularly if fiscal and monetary measures are introduced this autumn. Everything is possible.

Wilmot Breeden dispute as Chrysler votes 'work on'

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

AS CHRYSLER U.K. prepared to resume full-scale production at its Coventry and Scottish plants, following a "keep working" vote at the key engines and transmissions plant, Wilmot Breeden, the biggest supplier of bumpers, door locks and other components, started laying off more than half its 4,000 labour force.

This latest threat to the motor industry—all except Vauxhall are affected—came after a breakdown in negotiations with toolroom, maintenance and other skilled workers.

Into line

They are demanding £13-£18 a week extra to bring them in line with skilled production workers who are getting £55 a week on average with up to £60 for polishers in the plating department.

Most of the 450 on strike belong to the electricians and plumbers, engineering and metal mechanics unions.

Last April, they received £2.25 under the Government's Phase Two £1 plus 4 per cent. formula, and in negotiations to establish future pay levels, have been offered £3.50 a week with a promise of further negotiations as soon as future Government pay legislation is known.

Negotiations, which have been going on since March, finally broke down when the skilled indirect workers who had been working to rule, withdrew their labour.

Yesterday Wilmot Breeden laid off 1,000 and expected to add another 1,500 by the end of the week. Within days after that, the motor industry will begin to go short of window regulators, door locks and other mechanisms.

At Coventry, a mass meeting of the 5,200 workers at Chrysler's Stoke engines and transmissions factory, which supplies the Commer van factory at Dunstable as well as Avenger assembly lines at nearby Ryton and Hunter and Imp production in Scotland, decided to continue working.

This means that the management should be able to continue employing non-union labour to do work normally done by the 156 electricians.

They have been on strike for a month for an extra £250 a year they say the company promised them last February and staff status. An offer of the maximum permissible under Phase Two, amounting to about £190, has been rejected.

Although now deserted by almost all their trade union colleagues, the electricians may be able to count on the millwrights at Stoke and Ryton staying away in sufficient numbers to prevent full-scale working. Like the electricians, the millwrights want the staff status already conceded to the £2,500-a-year toolroom workers.

Chrysler U.K. is concentrating on sending sufficient supplies to the Linwood, Scotland, car plant to be able to recall the 4,400 idle there, although this is not likely to happen before next week.

Renewal of supplies to Dunstable will enable engines to be fitted to vans which for nearly a fortnight have been coming off the assembly lines without them.

The company also has the major task of replenishing supplies of components to overseas assembly plants. On Tuesday it said some contracts, including one with Iran worth £25m. this year alone, were in danger of being taken over by the Japanese because of the unreliability of supplies caused through successive strikes.

BL pension plan

British Leyland shop stewards are to press for pensions giving a minimum of half-pay on retirement, with cost-of-living increases. After a meeting of the British Leyland combined shop stewards' committee in Birmingham, the joint chairman, Mr. Eddie McGarry, said that British Leyland had agreed to a meeting shortly with national union officers and shop stewards to discuss pensions in the light of new laws which become effective in 1975.

Manpower chairman appointed

By Noel Howell, Labour Reporter

THE APPOINTMENT of Sir Denis Barnes as chairman of the new Manpower Services Commission was announced yesterday by the Department of Employment.

The Commission, which will be responsible for running the public employment and training services and co-ordinating industrial training, is expected to begin work on January 1.

Sir Denis, 58, is currently Permanent Secretary at the Department of Employment and his appointment as £16,000 a year chairman of the new Commission will initially be for three years.

No decision on the successor to Sir Denis at the DE has yet been made. The Department already has a Second Permanent Secretary, Mr. Conrad Heron, who returned at the end of last year from the Commission on Industrial Relations to take responsibility for industrial relations and incomes policy matters.

The Manpower Services Commission is being set up under the Employment and Training Act which received Royal Assent last month. The new Commission will take over the running of the Employment Service Agency and Training Services Agency which are currently within the DE.

The other nine members of the Manpower Services Commission may be named next month following consultations between the Government and the TUC, CBI, local authority associations and other educational interests.

Men and Matters Page 18

Cominco plans big Hartlepool zinc refinery

BY JOHN EDWARDS

PLANS FOR the construction of a major zinc refinery in Britain, in the Hartlepool area on the north-east coast, were announced yesterday by Cominco, the Canadian-based metals and mining group.

A feasibility study of the project is expected to be completed by next spring and it is hoped that the new refinery could be in production as early as 1976. The company gave no estimate of the investment involved, although a figure of £25m. has been mentioned.

Initial capacity of the proposed refinery will be 100,000 tons of high-grade electrolytic zinc a year, plus 175,000 tons of sulphuric acid as a by-product. But the refinery will be designed for eventual expansion to 200,000 tons of zinc a year and double the amount of sulphuric acid.

Mr. Fred Burnet, the Cominco chairman, said in Vancouver yesterday that up to 1,500 people would be employed in construction of the plant and about 250 in its operation when completed.

Basic objective

The basic objective of the plant is to ensure that Cominco is able to retain, and probably expand, its zinc sales outlets in Europe, especially Britain, despite restrictions by the European Community on imports to protect producers within the EEC. The EEC import restrictions are on refined zinc alone, not on the raw material (ore concentrates) used by refineries.

In any event Cominco plans to supply the bulk of the ore required by the refinery from its new Black Angel mine in Greenland, which is located within the EEC. However, it will be able to take ore supplies from other areas duty-free as well.

Britain has been chosen for the refinery partly because the U.K. accounts for by far the largest European market for Cominco zinc at present, although it is understood that other alternative sites in Europe were looked at.

The extra attraction of the Hartlepool site is that it is in a development area and therefore qualifies for a Government grant covering 22 per cent. of the cost of plant and buildings.

In addition, Hartlepool has adequate power and water supplies, facilities for the deep-water port that will be needed, and is well placed for shipments from Greenland and to the Continent.

No pollution

Cominco pointed out yesterday that it will not face the pollution problems affecting some zinc smelters, since the new plant uses the electrolytic process producing the special high-quality grades of zinc that are in increasing demand.

By the electrolytic process, sulphur dioxide, normally considered to be a pollutant, is used to make sulphuric acid—an important by-product for fertiliser manufacture.

The proposed refinery will more than double present domestic zinc production in Britain, but, with present consumption already around 300,000 tons of primary zinc a year, imports will still be needed.

The leading U.K. zinc supplier at present is Australian Mining and Smelting (Europe)—part of the Rio Tinto-Zinc group—which runs the Avonmouth smelter, producing some 90,000 tons annually. It is expanding production in Europe in a joint venture with Billiton for a 150,000-ton electrolytic zinc plant at Budel in the Netherlands.

There is an acute world shortage of zinc, especially in the U.S. Sales from Cominco's Canadian mines, therefore, are likely to be concentrated in North America in the future.

Stock Exchange suspends broker and censures his firm

THE STOCK EXCHANGE has suspended a stockbroker and censured his firm after the Exchange Council and the City Take-over Panel were not given details of a client involved in a share deal which netetd a £700 profit.

The broker is Mr. Ralph Clarke, who has been banned from entering the trading floor of the Exchange for two years. He is one of seven partners at Chapman and Rowe, whose senior partner, Mr. Herbert Woolmer, yesterday gave details of the situation in a statement.

'Bear' operation

Mr. Woolmer said that Mr. Clarke—who has been an Exchange member for 14 years and with Chapman and Rowe for five—and truthfully stated during an inquiry into "certain dealings" that he did not know the identity of an overseas client involved in a particular deal.

The transaction was a "bear" operation in which a line of shares were sold for £2,624 and were repurchased later the same day for £1,824. It is thought that Birmingham Small Arms shares were involved, although neither the Exchange nor Mr. Woolmer would confirm this.

The statement added that Mr. Clarke discovered the client's name but decided he had a duty to obtain his consent before it was disclosed. Difficulty was experienced in contacting the client, and in the interim, in "an over-zealous attempt to protect the client's interests" the Stock Exchange and the Take-over Panel were left in ignorance of the client's identity.

According to a Stock Exchange notice, the relevant hearings took place on April 2 before an investigating committee appointed by the Exchange Council and on May 21 before the Panel. Mr. Woolmer said: "The client was eventually contacted and gave permission for his name to be disclosed. Neither our firm nor Mr. Clarke obtained any pecuniary advantage from the transactions (other than the normal Stock Exchange commissions), and it has not been alleged that the client acted in any way improperly in the transactions."

Mr. Woolmer commented that Mr. Clarke felt "the scale should have been tipped in favour of the client. He thought Mr. Clarke had done nothing "dishonourable."

The Stock Exchange declined to comment. But it is clear the Council feels it has not acted exceptionally because of the current disquiet over some share-dealing practices. Its inquiries, and the results, are based on long-standing Stock Exchange rules.

On average, one or two members face disciplinary measures in the course of a year. For a firm there are four basic "stages" of discipline. The most mild is a note from the Council airing its "displeasure" at a particular situation. Secondly, a firm can formally be censured, as has Chapman and Rowe. The next most serious step is suspension and the ultimate punishment is expulsion.

Peterborough expansion 'a cover-up'—MP

PETERBOROUGH'S £400m. expansion scheme is a "cover-up" for the city's problems, Sir Harmar Nicholls (C), MP for Peterborough, claimed yesterday.

He said in a statement that citizens of Peterborough were victims of a great public relations exercise designed to disguise their problems and frustrations under a camouflage of supposed benefits and favours.

Sir Harmer said: "Expansion has produced a ludicrous situation with people being invited to the city when those already here have nowhere to live. "Engineering firms are being brought in when there is no surplus labour.

Another fire bomb at Harrods—but planted ten days ago

BY LORNE BARLING

AN UNEXPLODED incendiary bomb was found at Harrods in London yesterday and defused by explosives experts. The device, found in the carpet department by a member of the staff, was thought to have been planted ten days ago with two others.

At that time a number of fire bombs, some of which ignited, were found in large London department stores, usually placed near combustible material.

Harrods said: "We are still carrying out routine searches, but this bomb was found while an employee was tidying carpets. It was identical with the two others found here and was probably planted at the same time."

Police at Scotland Yard again received hundreds of telephone calls from shops and offices where suspected letter bombs had been received, but late yesterday none had proved to be genuine.

The warning that the bombers were still at large and could mount a new operation in the near future was repeated by security chiefs yesterday. It was thought the campaign was directed from Dublin with the work being done by a freelance unit from Ulster. The bombs could have been planted by IRA sympathisers living near London.

Rhys David writes from Belfast: Denials by Mr. Sean Mac Stiofain, former so-called chief of staff of the Provisional IRA, of Provo complicity in the bombing outrages in London are not taken very seriously here in security circles.

There is considerable doubt whether Mr. Mac Stiofain has recovered the position of authority he once had in the movement, and there is a feeling a campaign in Britain has long been a plan held in reserve by the men who took over from him when he was jailed last year, including, in particular, Mr. Seamus Toomey.

Among reports that the campaign will be renewed soon, possibly outside London as well, the visit by Mr. Charles McGlade, the Provisionals' treasurer, to Birmingham is still creating interest.

A watch continues to be kept on movements to and from the Province in the search for those responsible for the London bombings, but it is still considered most likely the perpetrators are somewhere in the Home Counties or possibly in the Republic.

Dover Port lorry traffic rises

THE NUMBER of cross-Channel lorries using the Port of Dover rose by 19.58 per cent. in the first seven months of this year, according to the Dover Harbour Board. The total was 103,813, compared with 86,813 for the same period last year.

More ferries and increased roll-on roll-off facilities at the Eastern Docks have helped to boost traffic. Holidaymakers taking their cars to the Continent rose 1.73 per cent. to a record 537,635.

Continued from Page 1

Home loan talks at Treasury

Whitehall yesterday were that the official attitude was unchanged.

Regular meetings between building society leaders and the Government have been taking place since the temporary bridging grant given by the Government in April.

Those talks, however, have been basically concerned with the setting up of a building societies stabilisation fund to even out the supply of cash for mortgages.

The next meeting in the series was to have been on September 11, but the question of interest rates was not on the agenda.

News of the emergency talks coincided with the release of Department of the Environment figures which show a big downturn in the level of housebuilding activity during July.

In the private sector the number of dwellings on which work started was the lowest since February, at 19,600, while in the public sector the number of starts, at 8,500, was the worst this year except for the exceptionally low January figure of 7,400.

In both cases there were significant drops on 12 months earlier. The number of private sector homes on which work was begun in July, 1972, was 700 more, while in the private sector the difference was 2,800.

As far as the private sector is concerned, the reduction in the amount of work going on, which follows a fall in June, too, could now be a reflection of the difficulties prospective purchasers have been meeting in obtaining mortgages.

The number of dwellings made ready for occupation in July also saw a downturn. At 24,500 the total was 1,500 less than in June and compares with 26,600 a year earlier.

Once again the public sector was the worst hit. Only 8,800 local authority homes were completed, the lowest figure since February and 1,300 less than in June. Compared with July last year, there was a 1,400 drop.

At 15,700 private sector completions were slightly down on June's 15,900 and 800 below the level of 12 months previously.

On a more reliable three-monthly basis, seasonally adjusted, the May-to-July period saw a 16 per cent. fall in public sector starts compared with February to May and one of 8 per cent. against the corresponding period a year before.

In the public sector the figures are 17 per cent. and 11 per cent., respectively.

Completions in the public sector on the same basis saw declines of 4 per cent. and 10 per cent., with falls of 10 per cent. and 4 per cent. in the private sector.

The number of improvement grants, however, continued to rise. The England and Wales total for the May-to-July period was 98,300—a rise of 24 per cent. on the 79,200 of the same months in 1972.

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INDUSTRIALS—Continued

1973 Low	Stock	Price	+ or −	Div.	C'vr	Y'ld pc	P/E
53	Judge Int.	56½	−½	§17.4	2.6	4.6	12.6
165	Kalamazoo	171	......	32	2.1	4.7	14.3
73	Kelsey Ind. 12½p.	82xd	......	†25	3.1	3.8	12.2
27	Kennedy Smi. 10p.	34	......	120	3.1	7.4	6.2
45	Kent (Geo.) 50p	54xd	+2	§2.1	—	2.6	—
125	Kleeman	140	......	19.7	3.1	3.5	13.0
39	Kode Int.	33	......	262.8	—	3.0	45.8
62	L.C.P. Hldgs.	85	......	§10.7	2.5	4.5	12.5
64	L.R.C. Int. 10p	68xd	+1	§29.4	φ	6.2	φ
56	Lawson Inds.	71	−½	†19.5	1.4	4.8	19.5
41	Lawtex	42	......	†14	2.1	8.5	7.1
50	Le Bas (Ed)	54	......	§3.9	6.9	3.2	6.4
60	Lebolf Fobel 10p.	60	......	b069	3.4	2.1	19.7
57	Lebus Harris	152	−6	†12	—	2.0	7.7
54	Leisure Car. 10p	63	......	§24	1.8	5.4	14.2
170	Lep Group 10p.	185	......	32	3.6	1.7	17.9
34	Lesney Prods. 5p.	35	......	4d14	3.9	2.9	12.7
34½	Liden 10p.	36	......	†15¼	3.6	4.4	8.9
72	Light & Leis. 10p.	77	......	d25	2.5	3.2	27.4
60	Lindsay Wm.	83	+1	♦E10	F2.3	3.1	20.3
77½	Lindustries	78	......	†19	2.1	6.1	11.0
58	Lipton (L.)	99	−1	10	1.7	2.5	34.1
73	Lloyds Ind. 10p	74	......	426½	2.7	5.1	10.3
52	Lon. & Nthn. Sec.	53½	......	618	2.3	8.4	7.5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

††INSURANCE

1973 High	1973 Low	Stock	Price	+ or −	Div.	C'vr	Y'ld pc	P/E
180	123	Brentnall Bd. 10p	123	......	†37	b3.3	3.0	14.2
252	176	Britannic 5p	176	−2	†§12.1	—	4.9	—
975	490	Comb Ins Am $1	630	+70	†151c	—	2.8	—
230	161	Comm Union	163	+1	54.6	—	5.4	—
210	144	Eagle Star	144	......	h§16.5	—	4.1	—
402	375	Economic £1	380	......	§9.8	—	3.7	—
342	248	Equity & Law 5p	248	......	§91.9	—	2.6	—
68	46	Fenchurch 10p	46	−1	h30	1.4	6.5	15.7
65	45	Do "A" 10p	45	−1	h30	1.4	6.7	15.4
206	148	Gen. Accident	153	+1	†§19.1	—	4.5	—
90	44½	Grangeas 10p	45xd	......	§14	1.8	4.4	17.9
268	207	Guardian Royal	207	......	§27.3	—	4.6	—
148	119	Halford Sh'd 10p	120	+1	b60	1.9	5.1	17.7
303	220	Heath (C.E.) 20p	223	......	§36¼	2.3	4.7	13.0
126½	85	Howden (A.) 10p	86	+1	h26¼	3.0	3.1	15.3
212	150	Legal & Gen. 5p	150	......	§77.2	—	3.7	—
155	102	Les. & Gdwn. 10p	103	......	h§30.6	2.2	4.3	15.1
184	146	Lon. & Man. 5p	156	......	§75	—	3.4	—
248	193	Matthew Wr. 20p	196	......	§28.9	2.1	4.2	16.0
£128	£98	Do 7¾% Conv.	£98	......	7¾	16.2	7.4	—
318	222	Minet Hldgs. 20p	224	+2	h§15.2	3.9	1.9	18.7
290	250	Orion 50p	260	......	§11.5	—	3.2	—
404	270	Pearl 5p	273	+3	†23.6	—	4.4	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

MACHINE TOOLS

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

1973 High	1973 Low	Stock	Price	+ or −	Div.	C'vr	Y'ld pc	P/E
92	74	Clarke Nickolls	82	......	7.6	2.5	2.3	24.2
100½	61	Control Secs. 10p	67	......	§9.2	φ	2.0	φ
112½	68	Cornwall 5p	102½	......	§20	φ	1.4	φ
54	32	C'ntry New T. 10p	43	−1	§8.4	1.9	2.1	38.5
87	70	Countryside 5p	72	......	b120	2.2	8.4	7.7
113	65	C'nty & Dist. 10p	111	......	§8.4	1.9	1.1	69.4
51	44	Cox Inds. 10p	50	......	b§25	1.7	7.1	12.0
166	110	Daejan (Hldgs.)	131xd	−2	§12.6	φ	3.4	φ
87	52	Dares Est. 20p	59	......	16.8	[illegible]	5.7	—
14½	6½	Do. Pfd. 8p. 1pPd)	11	......	½	[illegible]	3.8	—
81	62	Dorrington 10p	75	......	§23.4	1.9	4.5	16.2
255	89	Edger InvestS	237	−1	♦§6.6	1.3	1.0	—
127	83	Ests. Prop. Inv.	121xd	+1	§9.9	φ	2.9	φ
150	112	Evans Leeds	117	......	§d14	1.7	4.3	19.4
43	36	Forum Props. 10p	39½	+1	§2.3	1.8	0.8	92.2
46	23½	Fraternal Ests. 5p	34½	......	§20	2.3	4.1	15.0
282	155	Gt. Portland 50p	273	+3	§5.9	1.6	1.5	58.2
79	60	Green (R.) 10p	64½	......	†20	2.1	3.1	22.4
44¼	28	Greencoat 5p	28	......	♦18	1.3	3.2	34.6
196	110	Greensitt Bl 10p	119	−2	156	2.7	4.7	11.9
88	63	Greensquare 10p	72	......	†d40	2.1	5.6	12.3
51	32	Grovew'd Sec. 5p	39½	+½	h§11	£3.9	3.0	18.5
153	99	Guardian Prop.	130	......	§7.7	φ	2.1	φ
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TEXTILES—Continued

1973 High	1973 Low	Stock
150	124	Tomkinsons
54	38½	Tootal
55½	33	Toray Y50
54	48	Trafford Carpet
80	60	Tricoville 10p
36	22	Trevdale Ind. 10p
18	7	Tulketh Grp.
91	73	U.U. Text. 10p
85	53	Vita Tex 20p
172	130	Webb (E.) Worcs.
29	21½	W. C'mb Silk 10p
113	97	Wood Bastow 20p
36	28	Wmlds Walker
76	57½	Worth (Bond)
49	38	Yorks Fine 20p
159	118	Youghal

TOBACCOS

1973 High	1973 Low	Stock
303	231	Brit. Am. (Reg.)
330	250	Dunhill (A.) 10p
218	172	Gallaher 50p
105½	85	Imperial
56½	47¼	Rothman's 12½p
[illegible]	[illegible]	[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS—Continued

Finance, Land, etc.

OILS

RUBBERS AND SISAL

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES—CENTRAL RAND

EASTERN RAND

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIANS

TINS

COPPER

MISCELLANEOUS

Letters to the Editor

BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY

High interest rates · cash flow analysis · juggernauts

Sir,—There are at least three reasons why Joe Rogaly's idea of controlling interest rates paid to savers—specifically *small* savings invested in building societies or held in bank accounts—is both anti-social and short sighted. (Lombard August 29.)

Small savers, unable to invest in commodities, gold etc. have, through inflation, had the value of their savings "stolen" by the rest of society. Easy capital gains on houses and some business profits are among the booty. Rising interest rates at last begin to offer a fair deal for savers.

Rising mortgage interest rates will bring down the price of houses. This will clearly help the small income earner who wishes to buy using his own savings, a small mortgage and perhaps a little money borrowed from friends and relatives. Such prices will also encourage the small entrepreneur who might buy a few houses to help out in the rented accommodation market. Higher mortgage repayments will make for a much fairer relationship between the position of a mortgagor and a person renting a flat or house.

Britain's slow growth rate has been, over a long period, largely due to a relatively low rate of capital investment. Investment must be financed out of savings (for what is consumed now, is not put aside for future use). Savings have been relatively low precisely because people have little or no incentive to save—or are penalised—because interest rates have been kept low, or have been, in real terms, negative.

Habits and personal plans will not change overnight, but in the longer term higher interest rates offer the only hope for greater saving and investment in a free society. The alternative is tax based investment in the public sector and company investment financed out of undistributed profits. This leads to the growth of large corporations, financial starvation for small firms looking to the City for finance and eventually to the corporate state.

J. Bourlet.
26 West Square, S.E.11.

Two tiers for rates

Sir,—With the clearing banks attracting deposits away from the building societies, the prospect of yet another increase in mortgage rates now faces us.

While one can appreciate the banks' dilemma in being forced to raise their base rates to counter arbitrage operations by some of their customers, there would seem to be a relatively simple method by which they could help to keep mortgage rates down.

A two-tier interest rate structure with a higher base rate for larger customers than smaller ones could be designed so as to keep in line with market rates for both the short term money market and the building societies. This would prevent arbitrage and, at the same time, by offering less on deposits, would stem the flow of money away from the societies.

This is not likely to cost the banks a great deal and would prevent some of the criticism that, in spite of earning record profits, their interest rates continue to rise. If they can be seen to be helping in the fight against inflation, this can only be good for them, the building societies, and the man in the street.

S. David Kibel.
4 Orchard Close, Canons Drive, Edgware, Middlesex.

Unnecessary gloom

Sir,—May I try to rectify the unduly pessimistic picture presented by Dr. Thirlwall to the British Association regarding Britain's future prospects in the Common Market.

The statistics which he gave regarding Britain's present position are sadly true. As the European communities have continued to flourish and develop, Britain in isolation has been falling further and further behind. And supposedly would continue to do so more tragically if she had turned her back on Community membership.

I believe, however, that Dr. Thirlwall committed an error through omission when he contended that "The economic and social differences between the regions in Britain were likely to widen . . . now that the U.K. was part of a large free trade area." This opinion completely ignores the firm undertakings of the Nine Heads of State and Government last October, the preamble to the Treaty of Rome itself, and the exacting programme and diligent efforts of the European Commission during the past seven months.

Each of these lays emphasis on the importance of forestalling such a deterioration in regional disparity by taking immediate and effective action through means such as the Community Social Fund, a new regional fund, help from the European Investment Bank, and, where appropriate, the Agricultural Fund, with additional help from the funds of the Coal and Steel Community.

With the exception of the Regional Fund, which is not due to start until next January, the original six members of the Community have already benefited considerably from these various forms of aid towards their own regional development and adaptation problems.

It is unnecessarily gloomy of Dr. Thirlwall to extend the failures of successive British Governments in the past in dealing with regional problems to Britain's future within the European communities. For though no one will claim that membership means a magic wand to make the problems disappear, determined efforts are being made to ensure effective remedies.

Ian Flintoff.
10, Square Marguerite, 1040 Brussels.

Poorly paid workers

Sir,—Your correspondent at the meetings of the British Association for the Advancement of Science reported me (August 24) as saying that workers in the North of England, Scotland and Wales are the poorest paid in Europe. I did not say this. What I did say was that in the North of England, Wales and Scotland *average income per head* is 25 per cent. *below the average* for the community as a whole. Per capita income differences are not the same thing as differences in wages. Clearly there are parts of Europe where the level of per capita income and wages is much below that of the relatively depressed areas of Britain.

The fact remains however that significant differences in living standards between most of Britain and the rest of Europe are becoming apparent, and in my opinion will widen with time as progress towards complete freedom in trade and factor movements take place.

A. P. Thirlwall.
Keynes College, The University, Canterbury, Kent.

Inexpensive transaction

Sir,—If Mr. Hunter (August 24) took the time to consider what was involved in the transfer of his payments to other countries, he would surely realise that his bank's charge of 50p cannot possibly cover the expenses.

Such transactions involve form filling at his own branch, transmission of the instructions by post to a centralised foreign branch of the bank, air mail advice to the recipient's bank, purchase of the necessary currency to cover the payment and the labour cost of the bank staff involved.

In many instances the bank has to give advice on Bank of England Exchange Control regulations, for which it is not allowed to make any charge. I am sure that all banks would be delighted if they could advise the Mr. Hunters of this world to send the cash by post, thus ridding themselves of a time consuming and costly exercise. I wonder if Mr. Hunter values his own time so cheaply?

M. D. Carr,
51, Carlton Road, Redhill, Surrey.

How the profit will be used

Sir,—I would be glad of an opportunity to disagree with Professor Lawson's letter of August 24.

My understanding of cash flow analysis, always open to further enlightenment, is that it can never be more than a tool of management, available to the directors when they are faced with alternative uses for available funds. The same can be said of monthly historical figures, budgets, efficiency variance analysis, marginal cost reports, stock ratios to turnover, etc.

None of these statements would tell the shareholders much about their dividend prospects, nor of the profitability or even the future solvency of their company. They are all subject to constant change.

I do agree with Mr. Lawson when he says that a cash flow analysis is the link between an historical profit and loss account and balance sheet and it would show whether past over-trading had taken place but not whether such overtrading was justified as a policy decision.

What might help the shareholders to assess the future safety of their capital would be a simple statement of how the directors proposed to use the annual profit—in rather more detail than the sparse appropriation account supplied with published accounts at present.

Such a statement could give:—1) details as to whether period of credit given to debtors or taken from creditors was to be varied and its effect on liquidity; 2) possible variations in stock ratios at all levels of production in the light of expected variations in turnover; 3) proposed capital programmes; 4) taxation and dividend requirements.

Even this statement is getting perilously close to usurping the directors' powers to make policy and the statement might never be implemented because of day to day changes in conditions of trading requiring new policy decisions.

It seems that it is not the kind of information which a shareholder could rely upon as definite policy and, therefore, of little practical value.

E. W. Holland.
E. W. Holland and Co.,
9, Prospect Hill, Douglas, Isle of Man.

Choosing an investment

Sir,—Your contributor's article "Six decisive factors for share prices" (August 17) was very interesting. I would welcome the opportunity to take up the practical aspects of choosing an investment that exceeds a corporation's yield requirements.

I spent a year learning complicated discounted cash flow techniques, and their application to share investment. The DCF sums were obviously preceded by detailed projections of cash flows and profits, and were applied, willy-nilly, to stodgy but sound groups such as food manufacturers, and dynamic growth companies whose future is almost entirely dependent on flair, guts, and the ability to avoid the cash flow problems that so often plague go-go companies.

I feel that the attractions of a share at a certain price are dependent on the market's view of a company (two heads are better than one) and the investor's view of how a share will be capitalised at a time when he might want to sell. This latter point, of course, is linked to the rating of the share in certain market conditions, and a view of the market as a whole. I cannot help getting the impression that your contributor may be over-emphasising the role of a major banker in assessing the creditworthiness of his customers.

Analysts throughout the world are well-known for being very subjective, with an insufficient eye on the less tangible factors that affect a share price. After all, surely investment is, mostly, an art and not a science?

G. G. M. Judd,
Chart Analysts.
1101, Cheung's Building, 1, Wing Lok Street, Hong Kong.

Post users' council

Sir,—In the absence on holiday of Lord Peddie, chairman of the Post Office Users' National Council, I am writing to comment on two letters which you published following the appearance of Harold Bolter's article on Post Office finances (August 11).

Mr. McMillan (August 21) claims he knows nothing about POUNC. We shall be sending him some material about the council's constitution and membership, as well as a copy of our recent report on postal tariffs. He may then be in a better position to judge how the council represents users.

Mr. Genders was worried that POUNC might be "reaching its views without taking proper soundings about consumer reaction." I should like to assure him that the council goes to considerable lengths to assess the views of users of all types before reaching conclusions about Post Office proposals—even in the very short time available to it under current price legislation. Mr. Genders may also like to be reminded that it was POUNC that first drew attention (in January 1972) to the need for a comprehensive survey of users' needs and wishes in regard to the postal service.

Lord Peddie has welcomed the opportunity for the council to make its contribution to the forthcoming examination of postal services, while stressing that the availability of comprehensive survey results is an essential pre-requisite to any such examination.

E. W. Pearcey.
Post Office Users' National Council.
Waterloo Bridge House, Waterloo Road, SE1 8UA.

Travellers cheques

Sir,—Writing to you on the subject of travellers cheques your correspondent Mr. R. V. Plant (August 8) ends his letter, "there is no complete answer."

I have cashed travellers cheques in many countries, banks, hotels, liners and shops. The only difficulty I have encountered is when overseas banks insist on the production of a passport before honouring the cheque.

When on a summer holiday I do not think I am unique in dressing light. My financial brain clicks into top gear as I contemplate the one pocket on my shirt. It now becomes apparent that the miserable pockets in my slacks were never designed by Chubbs, in fact they just invite the attention of a pickpocket. I finally settle with an equal distribution of sun glasses, reading glasses, cigarettes, matches, wife's sun burn lotion and the two English papers that I have been rooked for. Consultation with the pocket calculator I have taken along brings me to the conclusion that the bulky passport should reside somewhere in the hotel bedroom.

I think that the banks are being bloody minded in making one produce a passport before honouring a travellers cheque. The chance of a professional forger who could forge your signature, on the spot so to speak, getting hold of your cheques and fooling the banks is infinitesimal.

In fairness to their customers the banks should endorse all travellers cheques "Freely negotiable but not in banks."

H. Bloom.
78 Cholmley Gardens, Fortune Green Road, London, N.W.6.

Values of the juggernaut

Sir,—I was interested to read the Lombard column by Mr. Rogaly of August 24, discussing various aspects of juggernaut lorries. I am surprised, however, that two of the inherent values of this type of transport was totally omitted.

First, great economies can be effected in shipping the goods from A to B without transit off-loading and on-loading and this, in turn, must have an effect on the ultimate sale price of the article or commodity. Secondly, the speed is far greater at which the goods can be shipped around Europe and the U.K. with TIR RO/RO (roll-on roll-off) than any other comparable means of transport.

I would be the first to agree that these massive lorries are a profound nuisance, especially if one is at the end of a snake-type line going through narrow main (a paradox?) roads. I would also object if I lived in a small village, and these vehicles came thundering through at all hours of the day and night. This, however, is negative thinking.

An analogy must be that, when the horseless carriage arrived at the beginning of the century this was viewed as something evil and terrible—but roads were built. In the same way that motorways have had to be constructed to accommodate to-day's motorcar, so special routes and lorry parks will have to be planned for the economic speed and efficiency of freight forwarding.

These lorries are here to stay—and the sooner Government thinks constructively to accommodate them, and become an integral part of to-day's transport, the better it will be for all concerned.

Geoffrey R. Adler,
Deputy Chairman,
Edward Adler.
International House, 19 Colindale Avenue, N.W.9.

Avoidable fire disasters

Sir,—Your article (August 4) on the question of fire hazards covered mainly some aspects of the Dougla[s] . . . These are all very im[portant] matters. No doubt string[ent] regulations will be imp[osed on] all new designs.

Of greater immediate [importance] is the inspection of all hotels, boarding hous[es] casual B. and B. places expert fire staff are inadequate to impleme[nt the] recent Fire Act and it w[ill take] years to complete the[m]. There will be further . . . before the specified . . . ments can be covered. It [would] appear therefore that it [will be] about 10 years before all . . . makers can be sure of ad[equate] fire protection.

It is however possi[ble to] ensure that before th[e next] tourist season starts every . . . accommodation will . . . have escape facilities. Th[ere are] many million feet of . . . scaffold poles available . . . can be used to provide es[cape] escapes from all floors.

At each floor metal pla[tforms] say 3 ft. x 3 ft. or 4 ft. . . . could be provided, with mesh sides. From these, scaffolding poles, fixed [at an] angle of 30 deg. to 60 deg. . . . be run down to the groun[d] . . . escapees would helter . . . down the inclines on . . . Simple side protection . . . protect the escapees falli[ng] . . . the sides and of course would be iron mesh or simple supports over whi[ch] mats would slide.

There will of cour[se be] fractious objections to temporary towers spoilin[g the] look of the frontage, but it . . . at least be seen which . . . consider the safety of . . . clients. Simple wire baskets hung at intervals . . . the towers could make them more attractive than the . . . frontage. The internal . . . to the tower would depe[nd on] the floor layout. In som[e cases] one bedroom might have . . . sacrificed. Protection . . . vandals and thieves . . . climbing up the poles wo[uld be] essential.

The cost of the ma[terial] would not be great an[d] labour cost would be very . . . while the erection time wo[uld be] probably four to five . . . Where the season is sho[rt the] poles and other items co[uld be] hired for the period. Pu[rchase] could be spread over . . . years and no Governme[nt aid] would be required.

The scheme is quite fe[asible]. I suggest the large scaff[olding] firms carry out experime[nts at] once. They have a larg[e] market waiting for them.

H. A. Carney.
23 Kerrera Terrace, Oban, Argyll.

TV Radio

† Indicates programme in black and white.

BBC 1

†10.00 a.m. Champion the Wonder Horse. †10.25 Peter—Peter Trains His Dog. 10.35 Animal Design. 11.00 Golf: Double Diamond Tournament. 1.00 p.m. Penigamp. 1.25 News. 1.30 Mary, Mungo and Midge. 2.45 Golf: Double Diamond Tournament. 4.15 Play School. 4.40 Jackanory. 4.55 Daktari.

5.45 News.
†6.00 Nationwide.
6.25 Top of the Pops.
7.00 Star Trek.
7.45 It's a Knockout.
9.00 Nine O'clock News.
9.25 Voices for the World: Ryland Davies and Anne Howells.
10.15 Clochemerle, part 4.
11.00 Late Night News.
11.05 "The Pit And The Pendulum."

All Regions as BBC 1 except at the following times:—

Wales—†9.30-10.00 a.m. Rhwng Dau Dymor. 1.30-1.45 p.m. Ar Lin Mam. 6.00-6.20 Wales To-day. 6.20-6.25 Tom and Jerry. 7.00-7.20 Heddiw. 7.20-7.45 Llwybrau'r Wlad. †12.27 a.m. News of Wales.

Scotland—6.00-6.25 p.m. Reporting Scotland. 12.27 a.m. Scottish News Headlines.

Northern Ireland—6.00-6.25 p.m. Scene Around Six. †12.27 a.m. Northern Ireland News Headlines.

England—†6.00-6.25 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South-West (from Plymouth). †12.27 a.m. Regional News Headlines.

BBC 2

11.00 a.m. Play School.
4.15 p.m. Golf: Double Diamond Tournament.
7.30 News Summary.
7.35 Gardeners' World.
8.00 D. H. Lawrence Remembered: Malcolm Muggeridge talks to Helen Corke.
†9.00 World Cinema: "Finnegans Wake."
10.25 The Exiles.
11.00 News Extra.
11.30 Golf: Double Diamond Tournament.

LONDON

9.30 a.m. This Week. 9.55 Friday Morning Cinema: "Golden Girl," starring Mitzi Gaynor and Dale Robertson. 11.35 Skippy. 12.05 p.m. Rainbow. 12.25 Dawson's Funny Old Farm. 12.40 First Report: News, FT index. 1.00 Cuckoo in the Nest. 1.30 Crown Court. 2.00 General Hospital. 2.30 The Best of "Good Afternoon!" 3.00 Whose Baby? 3.25 When the Wheel Turns. 4.25 Lassie. 4.50 Magpie. 5.20 I Dream of Jeannie.

5.50 News from ITN.
6.00 The Shadoks, followed by To-day.
6.35 Crossroads.
7.00 The Sky's the Limit.
7.30 The FBI.
8.30 The Stanley Baxter Picture Show.
9.00 Hadleigh.
10.00 News at Ten.
10.30 Police Five.
†10.40 The Friday Film.
12.10 a.m. A Child's Eye View with Angus Stewart and Mary Sime
12.15 Department S.

All ITV Regions as London except at the following times:—

ANGLIA

10.35 a.m. The Enchanted House. 10.25 The New Dick Van Dyke Show. 10.50 Cartoons. 11.05 Towards the Year 2000. 11.30 Skilful Rugby. 12.02 p.m. Anglia News. 2.30 About Women. 4.25 Romper Room. 5.20 The Partridge Family. 6.00 About Anglia. 7.00 Glamour '73. 7.35 Hawaii Five-0. 10.30 The Brian Connell Interviews: Tom Stoppard. †10.55 "Eye of the Devil," starring Deborah Kerr and David Niven. 12.35 a.m. At the End of the Day.

ATV MIDLANDS

BORDER

CHANNEL

GRAMPIAN

GRANADA

HTV

SCOTTISH

TYNE TEES

ULSTER

WESTWARD

YORKSHIRE

RADIO 1 247m

(S) Stereophonic broadcast

Time, traffic, and News summaries at 5.00 a.m., 5.30, 6.00, 6.30, then every hour on the half-hour until 6.30 p.m., 7.00, 8.00, 9.00, 11.00, 12 midnight, 1.00 a.m., 2.00. Weather at 5.02 a.m., 5.32, 6.02, 6.32, 7.32, 8.02, 5.02 p.m., 6.32, 2.02 a.m.

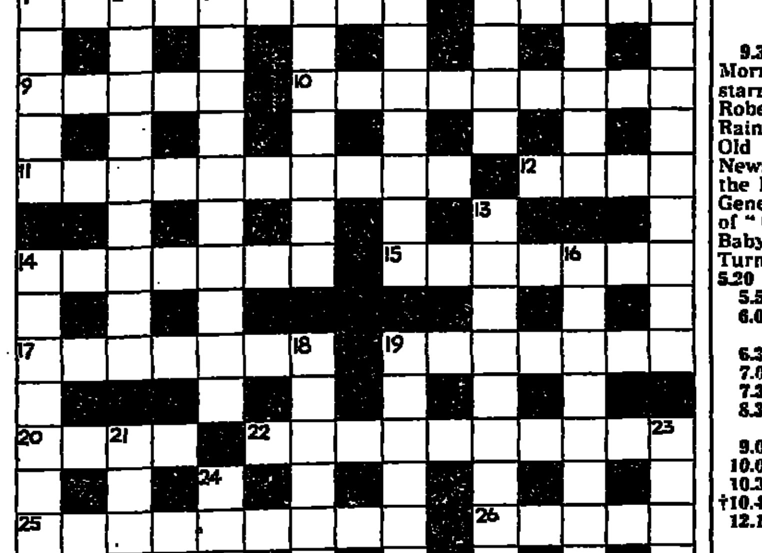
5.00 a.m. As Radio 2. 7.00 Noel Edmonds. 9.00 Tony Blackburn. 12.00 Johnnie Walker. 2.00 p.m. David Hamilton. . . .

RADIO 2 1,500m and VHF

RADIO 3 464m, Stereo & VHF

RADIO 4 434m, 330m, 285m and VHF

F.T. CROSSWORD PUZZLE No. 2,262



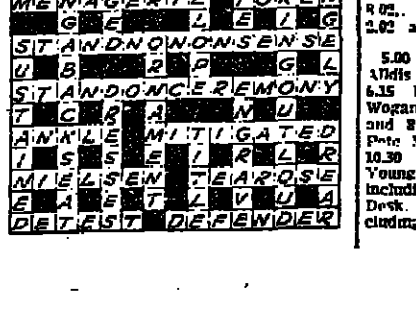
ACROSS

1 The French strip a washer (9)
6 Aptitude shown by blonde for getting round beginner (5)
9 Music composed in one month—and in France too (5)
10 Where potty customers expect the finest service (5, 4)
11 A penetrating glance will ensure completion (3, 7)
12 Unrepeatable occasion supported by church (4)
14 Throw oneself about ornamental bit of skirting (7)
15 Sheep led astray by you and me to which Paul wrote (7)
17 Impish spanner in the works (7)
19 Humour on point of reaching spectator (7)
20 Intent on having right to appropriate (4)
22 Embroidery of little significance across the Channel (5, 5)
25 In support incidentally (2, 3, 4)
26 I'm having presiding artist round first . . . (5)
27 . . . although navy may be prickly (5)
28 Paper workers go off with a bang (9)

DOWN

1 Rugby tourists take pride in collection (5)
2 In a fix like Stylites (2, 3, 4)
3 Pawnbroker from Amsterdam full of good advice (5, 5)
4 Two points near to pen (7)
5 More than one of these haircuts will give rise to complaint (7)
6 Somewhere to live without gas (4)
7 Like a female to be pale (5)
8 Puts down irons again (9)
13 Official publication running foul of Race Relations Board (5, 5)
14 Reckon there's one numerical mistake (6, 3)
16 Let irises be made free from bacteria (9)
18 Born perisher is more deserving (7)
19 Send letter to paper in praise (5, 2)
21 Court where Irishman wins 1—0 (5)
23 Catches baggage (5)
24 Intend to get tight (4)

SOLUTION TO PUZZLE No. 2,261



Racing

King's Park napped

by DARE WIGAN

THE BEST bet at Kempton this afternoon is surely *King's Park* in the Sirenia Plate (3.30).

This bay colt by Eclipse Stakes winner Wolver Hollow, who is a half-brother to Ragapan and to the Irish 1,000 Guineas winner Front Row, cost 20,000 gns. as a yearling, of which he repaid his owner £3,135 when winning the Convivial Stakes at York last week.

What is more, he scored impressively, and I expect him to be too good for *Military Medal*.

De Musset and *Emboscada*, both by the 1958 St. Leger winner Alcide, look best in the Arion Handicap (4.00), and my preference is for *De Musset*.

Admittedly, se has little in the way of acceleration, but a similar observation applies to most of his opponents, and at least he is guaranteed to stay 1½ miles.

Another who counts stamina rather than speed as his principal asset is *Woodditton*, who will be partnered by Philip Mitchell in the Tangiers Stakes (3.0) for amateur riders.

Even with a lesser exponent than Mr. Mitchell in the saddle, *Woodditton* would have a favourite's chance in this company, and with the expert assistance he will receive it is hard to visualise his being beaten.

Manoeuvre carries the Queen's colours in the Euclid Nursery Handicap (2.30), but although she will no doubt run well I am not sure about her ability to concede 11 lbs successfully to *Inchbroom*, who won over course and distance here last month and who was backed to do so in no uncertain fashion.

Gay Trinket, provided she does not become upset before the start, is the likely winner of the Athford Maiden Plate (4.30).

At Chester *Shirasagi* will probably be favourite for the Combermere Stakes (2.45), as she has been for her last two races, at Goodwood and Pontefract.

Perhaps she will win, but I believe she does not truly stay five furlongs; and, moreover, I am not convinced she is genuine.

I would sooner take a chance with *Low Mill*, an unraced half-sister, by Crepello, to Gospill Hill, whom Noel Murless trains for his wife Gwen.

Royal Epic, a good-looking colt by Queen's Hussar, shaped with much promise when fourth behind Pentacle, Matopo and High Church at Newbury a fortnight ago, and is a confident choice for the Grey Friars Stakes (3.45).

With Captain Ryan Price's stable in great form, *Heidelberg* is the probable winner of the Black Friars Handicap (4.15). This colt showed signs of returning to his good form of last season when third to Ribanco and Moire in a valuable sponsored handicap at Newcastle at the end of July, and ought to be capable of conceding a stone to the well-bred but disappointing *Double Nearco*.

In the absence of Proverb and Projector, *Tepukei*, who finished second in the King Edward VII Stakes at Royal Ascot, has a virtual walk-over in the St. George's Stakes (2.15).

Right Star, twice a winner over over course and distance here, is reasonably weighted with 8 st 2 lbs in the Mostyn Handicap (3.15). And *Kelly's End* is preferred to *Kathinka* and *Persist* in the Rouge Rose Stakes (4.45).

KEMPTON
2.00—The Hobbit
2.30—Inchbroom
3.00—Woodditton
3.30—King's Park***
4.00—De Musset
4.30—Gay Trinket

CHESTER
2.15—Tepukei
2.45—Low Mill
3.15—Right Star
3.45—Royal Epic**
4.15—Heidelberg*
4.45—Kelly's End

Ali fight TV showing for Leicester Sq.

VIEWSPORT, the closed-c[ircuit] TV concern, says that inte[rest in] its live screening of the . . . Norton vs. Muhammad Ali . . . ing match from Los Angel[es on] September 10 has built up . . .

It will, therefore, add Leicester Square Theatre, . . . don, to the list of 16 Londo[n and] provincial cinemas and th[eatres] at which the fight will be s[hown].

Prices range from £3 . . . £7.50.

Viewsport, now in the W[illiam] Hill Organisation, which in . . . is part of Sears Holdings, it has received a subst[antial] number of block bookings [for] the contest.

HYDROFOIL PA[CT] IN SINGAPORE

Vosper Thornycroft Pr[ivate], . . . Singapore subsidiary of British South Coast wa[rship] design and construction sp[ecial]ists, has been appointed . . . builder in South-East Asia o[f the] Supramar range of hydr[ofoil] craft. The parent company i[n the] U.K. already has an agree[ment] with Supramar AG of Luc[erne] and one craft of its desig[n is] nearing completion at the . . . chester shipyard.

The new agreement, in S[inga]pore, is with Supramar . . . Private, a company set up . . . a licence agreement bet[ween] Supramar and Mr. Charles . . . Siang Ling, a Singapore bus[iness]man. A Supramar-Ling Div[ision] of Vosper Thornycroft Pr[ivate] has been set up to build . . . craft and market them joi[ntly] with Supramar-Ling Private . . .

Events

To-day

COMPANY MEETINGS—
CAWOODS, Harrogate, 12. (Chairman, Mr. E. Binks.)
GRAFF DIAMONDS, Park Lane Hotel, W., 12. (Chairman, Mr. L. Graff.)
GRIFFITHS BENTLEY, Winchester House, E.C., 12. (Chairman, Mr. P. C. Renard.)
HARRIS (PHILIP) Birmingham, 11. (Chairman, Mr. N. H. Russell.)
LENNONS SUPERMARKETS, Manchester, 12. (Chairman, Mr. T. T. Lennon.)
SCOTT (JAMES) ENGINEERING, Glasgow, 12. (Chairman, Mr. I. Sclar.)
THORN ELECTRICAL INDUSTRIES, Dorchester Hotel, W., 12. (Chairman, Sir Jules Thorn.)

هكذا من الأصل